

STATE OF MICHIGAN
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201144823
Issue No.: 3000
Case No.: [REDACTED]
Hearing Date: August 31, 2011
Wayne County DHS (19)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the claimant's request for a hearing. After due notice, a telephone hearing was held on August 31, 2011 from Detroit, Michigan. The claimant appeared and testified. On behalf of Department of Human Services (DHS), [REDACTED], [REDACTED], Manager, appeared and testified.

ISSUE

Whether DHS properly terminated Claimant's Food Assistance Program (FAP) and Medical Assistance (MA) benefits due to a failure by Claimant to verify a stoppage in employment income when DHS had a method to verify the information without requesting it from Claimant.

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. Claimant was an ongoing FAP and MA benefit recipient.
2. Claimant reported a stoppage in employment income.
3. DHS mailed Claimant a Verification Checklist requesting verification of the employment income stoppage.
4. Claimant failed to submit a verification of stopped employment income prior to the due date on the VCL.

5. DHS could have obtained the income verification for Claimant by checking a database of employment information through The Work Number.
6. On an unspecified date, DHS terminated Claimant's FAP and MA benefits effective 7/2011 due to the failure by Claimant to verify stopped employment income.
7. On 7/26/11, Claimant requested an administrative hearing to dispute the termination of FAP and MA benefits.
8. DHS conceded the failure to obtain the verification of Claimant's stopped employment income through The Work Number was an error and proposed reinstating Claimant's FAP and MA benefits effective 7/2011.

CONCLUSIONS OF LAW

The Food Assistance Program (formerly known as the Food Stamp Program) is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations (CFR). DHS administers the FAP pursuant to Michigan Compiled Laws 400.10, *et seq.*, and Michigan Administrative Code R 400.3001-3015. DHS regulations are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT). Updates to DHS regulations are found in the Bridges Policy Bulletin (BPB).

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). DHS administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

The undersigned will refer to the DHS regulations in effect as of 7/2011, the estimated month of the DHS decision which Claimant is disputing. Current DHS manuals may be found online at the following URL: <http://www.mfia.state.mi.us/olmweb/ex/html/>.

For all programs, DHS must request verifications when required by policy. BAM 130 at 1. Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. BAM 130 at 1. Verification is usually required at application or redetermination. *Id.* For all programs, DHS is to use electronic methods (for example The Work Number) available to DHS to verify income.

In the present case, DHS contended that Claimant failed to verify employment income, which would have justified a termination of FAP and MA benefits. DHS also conceded

that the employment income was verifiable through The Work Number and that the specialist failed to use this as a resource for verification. The Work Number is a resource capable of obtaining employment income information from participating employers. Claimant's employer happened to be a participating The Work Number employer. DHS proposed reinstating Claimant's FAP and MA benefits effective 7/2011 subject to income information obtained through The Work Number. Claimant agreed to the DHS proposal.

MCL 24.278 (2) allows for the disposal of administrative disputes based on agreement by the parties. As the proposed settlement between Claimant and DHS appears to comply with DHS regulations, the settlement is an acceptable resolution for Claimant's dispute.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law and by agreement of the parties, finds that DHS improperly terminated Claimant's FAP and MA benefits effective 7/2011. It is ordered that DHS:

- (1) reinstate Claimant's FAP and MA benefits effective 7/2011;
- (2) use employment income information obtainable through The Work Number to verify Claimant's employment income; and
- (3) initiate processing of Claimant's FAP and MA benefits for 7/2011, in accordance with DHS regulations, including supplementing Claimant for any benefits not received as a result of the DHS error.



Christian Gardocki
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: September 2, 2011

Date Mailed: September 2, 2011

NOTICE: Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request.

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The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

CG/hw

cc:

