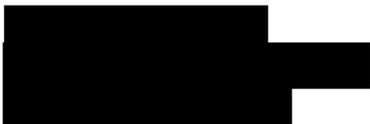


STATE OF MICHIGAN  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM  
FOR THE DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:



Reg. No: 20122438  
Issue No: 1005, 2006, 3008  
Case No: [REDACTED]  
Hearing Date: November 3, 2011  
Genesee County DHS

ADMINISTRATIVE LAW JUDGE: **Suzanne D. Sonneborn**

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon Claimant's request for a hearing. After due notice, a telephone hearing was held on November 3, 2011. Claimant appeared and provided testimony.

**ISSUE**

Did the department properly deny Claimant's application for Food Assistance Program (FAP) benefits and Family Independence Program (FIP) benefits for failure to return the required verifications?

**FINDINGS OF FACT**

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

1. On August 23, 2011, Claimant applied for FAP and FIP benefits. At that time, Claimant was given a Verification of Employment form (DHS 38) and a Verification of Assets form (DHS 20) and was instructed to obtain from her employer and her bank the information requested in the verifications. (Department Hearing Summary, Department Exhibit 1)
2. On August 24, 2011, the department mailed Claimant a Verification Checklist (DHS 3503), requesting that Claimant provide verification of the following by no later than September 6, 2011: (i) a checking account – through either a current bank statement or a DHS 20 Verification of Assets; (ii) a 401K account – through a statement of value from the issuer/holder/plan administrator; (iii) a savings account - through either a current bank statement or a DHS 20 Verification of Assets; (iv) loss of employment – through either employment records or employer statement or a DHS 38 Verification of Employment; and (v) wages, salaries, tips, and commissions – through either the last 30 days of check stubs or earning statements, or

employer statement or a DHS 38 Verification of Employment. (Department Exhibit 2)

3. On September 7, 2011, the department mailed Claimant a Notice of Case Action (DHS 1605), informing her that, effective September 16, 2011 and October 1, 2011, respectively, her application for FIP and FAP benefits had been denied due to her failure to provide the required verifications. (Department Exhibit 3)
4. On September 26, 2011, Claimant requested a hearing contesting the department's denial of her application for FIP and FAP benefits. (Request for a Hearing).<sup>1</sup>
5. On November 3, 2011, Claimant's case worker submitted a copy of the Genesee County DHS office reception log for September 6, 2011, which indicated that, on that date, Claimant dropped off documents – specifically, “proofs requested for assistance.” (ALJ Exhibit 1)

### **CONCLUSIONS OF LAW**

The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code, MAC R 400.901-400.951. An opportunity for a hearing shall be granted to an applicant who requests a hearing because his claim for assistance is denied. MAC R 400.903(1)

Clients have the right to contest a department decision affective eligibility for benefit levels whenever it is believed that the decision is incorrect. BAM 600. The department will provide an administrative hearing to review the decision and determine the appropriateness of that decision. BAM 600.

The Food Assistance Program (FAP) was established pursuant to 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). The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 USC 601, *et seq.* The Department of Human Services (DHS or department) administers these programs pursuant to MCL 400.10, *et seq.*, and MAC R 400.30001-3015, and R 400.3101-3131. Department policies for both programs are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

Department policy indicates that clients must cooperate with the local office in determining initial and ongoing eligibility with all programs. BAM 105. This includes completion of the necessary forms. Clients who are able to but refuse to provide

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<sup>1</sup> Claimant's Hearing Request also sought a hearing regarding the department's actions with respect to Claimant's eligibility for the Medical Assistance and State Emergency Relief programs. However, during the hearing, Claimant indicated that she no longer required a hearing regarding these programs.

necessary information or take a required action are subject to penalties. BAM 105. Clients must take actions within their ability to obtain verifications. BAM 130; BEM 702. Likewise, DHS local office staff must assist clients who ask for help in completing forms. BAM 130; BEM 702; BAM 105.

Verification is usually required upon application or redetermination and for a reported change affecting eligibility or benefit level. BAM 130. The department must allow a client 10 calendar days (or other time limit specified in policy) to provide the requested verification. BAM 130. If the client is unable to provide the verification despite a reasonable effort, the department must extend the time limit at least once. BAM 130. For MA, if the client cannot provide the verification despite a reasonable effort, the time limit is extended up to three times. BAM 130. Should the client indicate a refusal to provide a verification or, conversely, if the time period given has elapsed and the client has not made a reasonable effort to provide it, the department may send the client a negative action notice. BAM 130.

In the instant case, Claimant acknowledged at the hearing that she received the Verification Checklist and insisted that on September 4, 2011, she obtained all documentation requested by the department and timely provided it to the department by delivering the documentation to the drop-box in the lobby of the Genesee County DHS office on either September 5, 2011 or September 6, 2011. However, Claimant's case worker testified that she never received Claimant's documentation. Claimant further testified that she recalled signing a log on the day that she delivered the documentation.

At this Administrative Law Judge's request, Claimant's case worker reviewed the Genesee County DHS office reception log for any entries signed by Claimant on September 5, 2011 or September 6, 2011 and discovered that Claimant did indeed drop off documents (specifically, "proofs requested for assistance") at the DHS office on September 6, 2011. Claimant's case worker also forwarded to this Administrative Law Judge the following relevant documents which were stamped received by DHS on September 6, 2011: (i) an undated portion of Claimant's earning statement indicating her net payment of [REDACTED]; (ii) an August 30, 2011 bank statement indicating that Claimant's account is in overdraft status; (iii) a 401K statement indicating that Claimant's 401K as of September 2, 2011 has three outstanding loans which are in default.

At the hearing, Claimant's case worker testified that Claimant's September 2, 2011 401K statement describing Claimant's outstanding loans would not have been sufficient verification of Claimant's 401K as it did not document the value of Claimant's 401K, as requested in the Verification Checklist. Claimant's case worker further testified that absent from Claimant's documentation was any verification of Claimant's loss of employment – through either employment records or employer statement or a DHS 38 Verification of Employment; or of Claimant's wages, salaries, tips, and commissions – through either the last 30 days of check stubs or earning statements, or employer statement or a DHS 38 Verification of Employment.

While Claimant's documentation submitted on September 6, 2011 may not have been completely responsive to the Department's verification request, the fact remains that, at the time the Department denied Claimant's application on September 7, 2011, the Department had in its possession documentation from Claimant that Claimant believed to be responsive to the verification request and the Department failed to notify Claimant that her submitted documentation was insufficient.

The Administrative Law Judge finds that based on the material and substantial evidence presented during the hearing, Claimant timely provided the department with what she believed to be all of the information requested in the department's Verification Checklist.

The Administrative Law Judge therefore finds that the department improperly denied Claimant's application for FIP and FAP benefits for failure to return the required verifications.

### DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department improperly denied Claimant's application for FIP and FAP benefits for failure to return the required verifications.

Accordingly, the department's actions are **REVERSED** and the department shall immediately re-determine Claimant's eligibility for FIP and FAP benefits and issue supplement checks for any months she did not receive the correct amount of benefits if she was otherwise entitled to them.

It is SO ORDERED.

/s/ \_\_\_\_\_  
Suzanne D. Sonneborn  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: November 14, 2011

Date Mailed: November 14, 2011

**NOTICE:** The Michigan Administrative Hearing System (MAHS) 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. MAHS will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 60 days of the filing of the original request.

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.

SDS/cr

cc:

