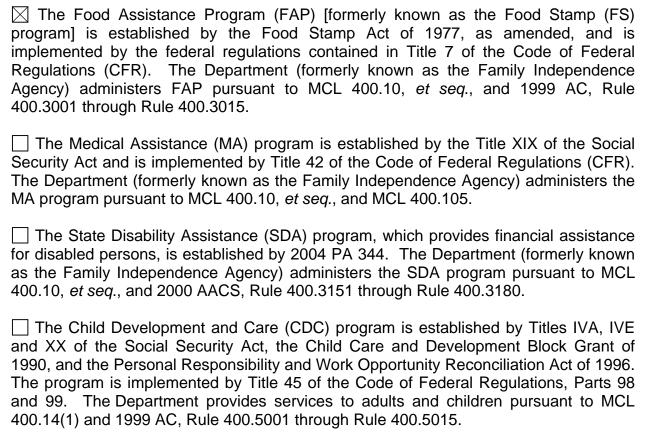
## STATE OF MICHIGAN MICHIGAN ADMINISTRATIVE HEARING SYSTEM ADMINISTRATIVE HEARINGS FOR THE DEPARTMENT OF HUMAN SERVICES

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|   | Reg. No.:<br>Issue No.:<br>Case No.:<br>Hearing Date:<br>County: | 2012 26746<br>3003, 2001<br>March 8, 2012<br>Oakland County DHS (03) |
|---|--|--|
| ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris  |  |  |
| HEARING DECIS   | SION   |  |
| This matter is before the undersigned Administration of MCL 400.37 following Claimant's request delephone hearing was held on March 8, 2012, from the claimant included the Claimant. Participation of Claimant included the Claimant. Participation of Claimant (Department) included Assistance Payments Supervisor | for a hearing. om Detroit, Michigoants on behalf of Assistance   | After due notice, a<br>gan. Participants on                          |
| ISSUE   |  |  |
| Due to excess income, did the Department proper<br>☑ close Claimant's case ☐ reduce Claimant's be   | · —  | laimant's application  |
| Food Assistance Program (FAP)?  |  | sistance (AMP)?<br>ssistance (SDA)?<br>nt and Care (CDC)?            |
| FINDINGS OF FA  | <u>ACT</u>   |  |
| The Administrative Law Judge, based on the of evidence on the whole record, finds as material fac   |  | rial, and substantial  |
| 1. Claimant ☐ applied for benefits for: ☒ red   | ceived benefits fo   | r:   |
| ☐ Family Independence Program (FIP). ☐ Food Assistance Program (FAP). ☐ Medical Assistance (MA)   | •  | ssistance (AMP).<br>Assistance (SDA).                                |

| 2.                   | On February 1, 2012, the Department  |
|----------------------|--|
| 3.                   | The Claimant completed a Redetermination in September 2011 and no verification of income was sought by the Department until January 10, 2012. (Exhibits 2 and 4).  |
| 4.                   | On December 26, 2011 the Claimant contacted the Department by telephone leaving a message with her caseworker to advise the Department that she was no longer working. The Claimant's last day of work was December 23, 2011.  |
| 5.                   | The Department sent a Verification Checklist to the Claimant on January 10, 2012. (Exhibit 4).   |
| 6.                   | The Claimant timely responded to the Department's request for Verification prior to the January 20, 2012 due date when she faxed the information to the Department prior to the due date. (Exhibit 4 and Claimant Exhibit 1).  |
| 7.                   | On January 10, 2012, the Department sent (2) Notices of Case Action to $\square$ Claimant $\square$ Claimant's Authorized Representative (AR) giving notice of the $\square$ denial. $\square$ closure. $\square$ reduction.   |
| 3.                   | The Notices of Case Action closed the Claimant's FAP case for failure to verify information and the AMP case due to excess income. (Exhibit 3).  |
| 9.                   | In January 2012 the Claimant had no earned income. (Claimant Exhibit 1).   |
| 10                   | On January 20, 2012, Claimant or Claimant's AHR filed a hearing request, protesting  |
|                      | the  denial of the application.  \( \subseteq \text{closure of the case.} \)  The reduction of benefits.   |
|                      | CONCLUSIONS OF LAW   |
|                      | partment policies are contained in the Bridges Administrative Manual (BAM), the dges Eligibility Manual (BEM), and the Reference Tables Manual (RFT).  |
|                      | The Adult Medical Program (AMP) is established by 42 USC 1315, and is ministered by the Department pursuant to MCL 400.10, et seq.   |
| Re<br>42<br>Ag<br>hr | The Family Independence Program (FIP) was established pursuant to the Personal sponsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, USC 601, et seq. The Department (formerly known as the Family Independence ency) administers FIP pursuant to MCL 400.10, et seq., and 1999 AC, Rule 400.3101 ough Rule 400.3131. FIP replaced the Aid to Dependent Children (ADC) program ective October 1, 1996. |



Additionally, the evidence produced at the hearing by the Claimant indicated that she provided an Employment Verification to the Department before the verification due date of January 20, 2012. The Verification of Employment established that the Claimant received no income after December 23, 2011, which was her last check from her then employer. The Claimant had no income in January 2012, (30 days prior to the Department's action closing her case). (Claimant Exhibit 1). Clearly the Department could not have found the Claimant ineligible for AMP based upon either December 2011 reported income or January 2012 zero income. In January 2012 the Claimant had no income and in December 2011 the Claimant's verified earned income was only \$515. The Department did not provide an AMP budget which it relied upon to close the Claimant's case. The Department's decision to close the Claimant's AMP case due to excess income was in error.

The Claimant credibly testified that she faxed the Verification of Employment to the Department before the due date. The Verification of Employment was due January 20 2012. The Verification Checklist is dated January 10, 2012. (Claimant Exhibit 1). To the extent the Department closed the Claimant's FAP case due to her failure to verify income for FAP benefits, it acted incorrectly, as the Claimant timely filed the verification. Exhibit 4. It is also noted that the Department took action to close the Claimant's case prior to the Verification Checklist due date. The Department issued its Notices of Case

Action on January 10, 2012, but the Verification Checklist due date was January 20, 2012. (Exhibit 2 and 3).

The Administrative Law Judge also must amend its decision made on the record. The decision of the undersigned made on the record that the Department should use October 2011 income when making its determination about the Claimant's FAP and AMP eligibility determination was made without the benefit of several exhibits made available only after the hearing. The conclusion that the Department should use October 2011 income was made without the benefit of the Department's Verification Checklist (Exhibit 4) and the two Notices of Case Action, (Exhibit 3) and the Claimant's Exhibit I, the Verification of Employment. Based upon the information provided by fax after the hearing, it is determined that the Department should have used either the December 2012 or the January 2012 income when it took action on February 1, 2012. The evidence presented by the Department did not support the Department's earned income calculation utilized to calculate the Claimant's FAP and AMP benefits eligibility, and did not consider that the Claimant's employment had ended and thus she had no income.

| Based upon the above Findings of Fact and Conclusions of Law, the Administrative Law Judge concludes that, due to excess income, and failure to verify employment and income the Department $\square$ properly $\square$ improperly |
|---|
| <ul> <li>☐ denied Claimant's application</li> <li>☐ reduced Claimant's benefits</li> <li>☐ closed Claimant's case</li> </ul>  |
| for: 🖂 AMP 🗌 FIP 🖂 FAP 🗌 MA 🗌 SDA 🗌 CDC.  |
| DECISION AND ORDER  |
| The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department $\square$ did act properly $\square$ did not act properly.          |
| Accordingly, the Department's $\boxtimes$ AMP $\square$ FIP $\boxtimes$ FAP $\square$ MA $\square$ SDA $\square$ CDC decision is $\square$ AFFIRMED $\boxtimes$ REVERSED for the reasons stated on the record.                      |
| oxtimes THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:   |

- 1. The Department shall initiate reinstatement of the Claimant's FAP and AMP case retroactive to the date of closure, February 1, 2012.
- The Department shall determine Claimant's eligibility for FAP and AMP benefits based upon the Claimant's verification of employment (Claimant Exhibit 1) provided at the hearing and shall use income from December 2011 to make its determination of eligibility for of FAP and AMP benefits.

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- 3. The Department shall use zero income for January 2012 when calculating the Claimant's February 2012 benefits as the Claimant was not employed from, and after, December 23, 2011.
- 4. The Department shall issue a supplement for any FAP and AMP benefits, if any, the Claimant is otherwise entitled to receive in accordance with Department policy.

Lynn M. Ferris
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: March 13, 2012

Date Mailed: March 13, 2012

**NOTICE**: 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 90 days of the filing of the original request. (60 days for FAP cases).

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the receipt 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.

Claimant may request a rehearing or reconsideration for the following reasons:

- A rehearing <u>MAY</u> be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.
- A reconsideration **MAY** be granted for any of the following reasons:
  - misapplication of manual policy or law in the hearing decision,
  - typographical errors, mathematical error, or other obvious errors in the hearing decision that effect the substantial rights of the claimant:
  - the failure of the ALJ to address other relevant issues in the hearing decision.

Request must be submitted through the local DHS office or directly to MAHS by mail to:

Michigan Administrative hearings Reconsideration/Rehearing Request P. O. Box 30639 Lansing, Michigan 48909-07322

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