

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 201229721
Issue No: 3008
Case No: [REDACTED]
Hearing Date: February 29, 2012
Calhoun County DHS

ADMINISTRATIVE LAW JUDGE: Kevin Scully

HEARING DECISION

This matter is before the undersigned Administrative Law Judge by authority of MCL 400.9 and MCL 400.37. Claimant's request for a hearing was received on February 1, 2012. After due notice, a telephone hearing was held on Wednesday, February 29, 2012.

ISSUE

Whether the Department of Human Services (Department) properly closed the Claimant's Food Assistance Program (FAP) benefits for failure to provide information necessary to determine her eligibility to receive benefits?

FINDINGS OF FACT

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

1. The Claimant was an ongoing Food Assistance Program (FAP) recipient.
2. The Claimant submitted an application for State Emergency Relief (SER) benefits on January 9, 2012.
3. On January 13, 2012, the Department sent the Claimant a Verification Checklist (DHS-3503) with a due date of January 23, 2012, requesting that she provide verification of her checking account.
4. On January 17, 2012, the Department received copies of the Claimant's bank statements along with a written explanation of some of the transactions listed on this bank statement.
5. On January 24, 2012, the Department closed the Claimant's Food Assistance Program (FAP) benefits for failing to verify her assets.

6. The Department received the Claimant's request for a hearing on February 1, 2012, protesting the closure of her Food Assistance Program (FAP) benefits.

CONCLUSIONS OF LAW

The Food Assistance Program (FAP) (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). The Department of Human Services (DHS or Department), administers the FAP program pursuant to MCL 400.10, et seq., and MAC R 400.3001-3015. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), Reference Table Manual (RFT), and the Bridges Reference Manual (BRM).

Clients must cooperate with the local office in determining initial and ongoing eligibility. This includes the completion of necessary forms. BAM 105. Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. BAM 130. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. BAM 130. The Department uses documents, collateral contacts, or home calls to verify information. BAM 130. A collateral contact is a direct contact with a person, organization, or agency to verify information from the client. BAM 130. When documentation is not available, or clarification is needed, collateral contact may be necessary. BAM 130.

The Department will send a negative action notice when:

- The client indicates refusal to provide a verification, or
- The time period given has elapsed and the client has not made a reasonable effort to provide it.

Before determining eligibility, give the client a reasonable opportunity to resolve any discrepancy between his statements and information from another source. BAM 130.

In this case, the Claimant was an ongoing Food Assistance Program (FAP) recipient. The Claimant submitted an application for State Emergency Relief (SER) benefits on January 9, 2012. Based on information contained in this application for benefits, the Department sent the Claimant a Verification Checklist (DHS-3503) with a due date of January 23, 2012, requesting that she provide verification of her checking account.

On January 17, 2012, the Department received copies of the Claimant's bank statements along with a written explanation of some of the transactions listed on the bank statement.

On January 24, 2012, the Department closed the Claimant's Food Assistance Program (FAP) benefits for failing to adequately disclose her assets. The Department's representative testified that based on the Claimant's history of taking distributions from a retirement account, and certain transactions documented in the Claimant's bank account statements, that the Department believed that the Claimant had not fully reported her assets.

Based on the evidence and testimony available during the hearing, this Administrative Law Judge finds that the Claimant did not refuse to provide the Department with the information it had requested, and that the Claimant made a reasonable effort to provide the information necessary to determine her eligibility to receive benefits. The Department's Verification Checklist indicated that the Claimant was required to submit verification of her checking account and requested proof in the form of a current statement from the bank of financial institution. The Claimant provided this proof to the Department in a timely manner on January 17, 2012.

This Administrative Law Judge finds that the Department failed to provide the Claimant a reasonable opportunity to clarify any discrepancies between the information the Claimant reported and the information the Department believed was required to accurately determine her eligibility to receive Food Assistance Program (FAP) benefits. The Department could have resolved any discrepancies by requesting additional proofs from the Claimant.

Based upon the above Findings of Fact, Conclusions of Law, and for the reasons stated in this decision, the Administrative Law Judge concludes that the Department did not act properly when it closed the Claimant's Food Assistance Program (FAP) benefits for failure to provide information necessary to determine her eligibility to receive benefits.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department did not act properly when it closed the Claimant's Food Assistance Program (FAP) benefits for failure to provide information necessary to determine her eligibility to receive benefits.

Accordingly, the Department's Food Assistance Program (FAP) eligibility determination is **REVERSED**. It is further ORDERED that the Department shall:

1. Initiate a determination of the Claimant's eligibility for the Food Assistance Program (FAP) as of March 1, 2012.
2. Provide the Claimant with written notification of the Department's revised eligibility determination.
3. Provide the Claimant the opportunity to provide the Department with proof of her countable assets.

4. Issue the Claimant any retroactive benefits she may be eligible to receive, if any.

/s/
Kevin Scully
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: March 5, 2012

Date Mailed: March 5, 2012

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 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 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.

KS/tb

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