

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2012-42812
Issue No.: 2006
Case No.: [REDACTED]
Hearing Date: July 5, 2012
County: Wayne (82-19)

ADMINISTRATIVE LAW JUDGE: Kathleen H. Svoboda

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claimant's request for a hearing. After due notice, a telephone hearing was held on July 5, 2012, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

ISSUE

Due to a failure to comply with the verification requirements, did the Department properly deny Claimant's application close Claimant's case reduce Claimant's benefits for:

- | | |
|--|---|
| <input type="checkbox"/> Family Independence Program (FIP)? | <input type="checkbox"/> State Disability Assistance (SDA)? |
| <input type="checkbox"/> Food Assistance Program (FAP)? | <input type="checkbox"/> Child Development and Care (CDC)? |
| <input checked="" type="checkbox"/> Medical Assistance (MA)? | |

FINDINGS OF FACT

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

1. Claimant applied for was receiving: FIP FAP MA SDA CDC
2. Claimant was required to submit requested verification by December 9, 2011.
3. On February 15, 2012, the Department

- denied Claimant's application
- closed Claimant's case
- reduced Claimant's benefits

4. On February 16, 2012, the Department sent notice of the
- denial of Claimant's application.
 - closure of Claimant's case.
 - reduction of Claimant's benefits.
5. On March 22, 2012, Claimant filed a hearing request, protesting the
- denial. closure. reduction of Claimant's FAP benefits.

CONCLUSIONS OF LAW

Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 42 USC 601, *et seq.* The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10, *et seq.*, and 1997 AACS R 400.3101-3131. FIP replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

The Food Assistance Program (FAP) [formerly known as the Food Stamp (FS) 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 (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, *et seq.*, and 1997 AACS R 400.3001-3015

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105.

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and 1998-2000 AACS R 400.3151-400.3180.

The Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, the Child Care and Development Block Grant of 1990, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The program is implemented by Title 45 of the Code of Federal Regulations, Parts 98

and 99. The Department provides services to adults and children pursuant to MCL 400.14(1) and 1997 AACRS R 400.5001-5015.

Additionally, at the hearing, [REDACTED] and Claimant both testified that Claimant has participated fully in approximately three redeterminations as she had been a recipient of AMP benefits ongoing for the past several years. This is the first time the Department has taken action relative to Claimant for failure to cooperate. Claimant credibly testified that she never received the Verification Checklist (VCL) or she would have provided the information immediately, as she had always done so in the past. Further, Claimant stated that, having been made aware of what information was sought, she would have had no problem providing it as the information was readily available. The Department did not dispute the possibility that Claimant did not receive the VCL, as [REDACTED] testified the VCL would have been computer generated related to the policy change for FAP assets which occurred in November 2011, and there was no ability to provide evidence that the VCL was received by Claimant. Further, [REDACTED] testified that there were many notices generated during November 2011 relating to the policy update and acknowledged the possibility the Claimant did not received the VCL.

As the Department is not able to provide evidence that Claimant received the VCL and acknowledged that Claimant has always fully participated in redeterminations in the past, and further, as Claimant credibly testified that she did not receive the VCL and would, of course, have provided the requested information as she had always done in the past, it is determined that the Department did not act properly in terminating Claimant's AMP benefits for failure to verify.

During the hearing, the Department did raise the issue of eligibility based upon Claimant's receipt of alimony payments as income. However, all parties acknowledged that the issue for the administrative hearing was the termination based upon failure to provide verification and, as such, the Department must comply with the order related to this administrative hearing and reinstate Claimant's AMP benefits retroactive to the date of closure, even if ultimately the Department determines that, ongoing, Claimant is no longer entitled to AMP benefits. That determination must be properly processed and noticed.

Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, the Administrative Law Judge concludes that the Department

properly improperly

- closed Claimant's case
- denied Claimant's application
- reduced Claimant's benefits

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

did act properly did not act properly.

Accordingly, the Department's decision is AFFIRMED REVERSED for the reasons stated on the record.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Initiate reinstatement of Claimant's AMP benefits retroactive to the date of termination.



Kathleen H. Svoboda
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: July 10, 2012

Date Mailed: July 11, 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.

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 **MAY** 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.

2012-42812/KHS

Request must be submitted through the local DHS office or directly to MAHS by mail at
Michigan Administrative Hearings
Reconsideration/Rehearing Request
P. O. Box 30639
Lansing, Michigan 48909-07322

KHS/pf

cc:

