

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2012-62924
Issue No.: 2006
Case No.: [REDACTED]
Hearing Date: August 9, 2012
County: Wayne (82-76)

ADMINISTRATIVE LAW JUDGE: Robert J. Chavez

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 August 9, 2012, from Detroit, Michigan. Participants on behalf of Claimant included [REDACTED]. 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 and redetermination paperwork by June 18, 2012.

3. On July 1, 2012, the Department
 - denied Claimant's application.
 - closed Claimant's case.
 - reduced Claimant's benefits .

4. On June 18, 2012, the Department sent notice of the
 - denial of Claimant's application.
 - closure of Claimant's case.
 - reduction of Claimant's benefits.

5. On June 29, 2012, Claimant filed a hearing request, protesting the
 - denial of claimant's application.
 - closure of Claimant's case.
 - reduction of Claimant's 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.

It should be noted that Claimant requested a hearing in response to a FAP program closure in January 2012. However, there is no negative action with regard to the FAP program at the current time, and any hearing request with regard to the FAP program closure of January 2012 would be far beyond the 90-day time limit in which to request a hearing; as such, while the subject of Claimant's FAP benefits were brought up during the hearing, the Administrative Law Judge has no jurisdiction or authority to hear the matter.

With regard to the closure of claimant's MA case, on June 8, 2012, Claimant was sent a request for asset verification for the MA program. Claimant received AD-Care MA at the time, which has an asset limit of \$2000. BEM 163.

Claimant responded to the verification request by sending a letter, received by the Department on June 18, 2012, that read, in relevant part,

"Medical assistance provided by the state is 'Medicaid' and that depends on my income. I have already provided you with that information. If further information is required, I am requesting that you support your inquiries with statutory authority or cite case laws."

Claimant argued at hearing that he was not disputing that there was an asset limit for the Medicaid program in question, or that the verification was needed. Claimant's sole argument as to why the Department's action was invalid was because the Department failed to cite the statutory authority for their request.

However, Claimant was unable to point to any authority or law that requires a policy or statutory cite for the purposes of a verification request. The Administrative Law Judge has reviewed the policy and statutory authority for the Medicaid program and finds no such requirements.

BAM 105 governs rights and responsibilities of a client of the Department. Nowhere under this policy is the right to have a statutory authority cited for each piece of verification. However, it should be pointed out that BAM 105 does state that a client has the responsibility to provide the Department with all verifications necessary to determine eligibility.

While the Administrative Law Judge would hold that Claimant has every right to refuse an unneeded verification request, there is the underlying requirement that a verification request is unneeded. At no point does a claimant have a right to refuse a needed verification request if they wish to remain on public benefits. If the claimant wishes to

see the statutory authority under which a verification is needed, the claimant need simply request the policy manuals from the Department, which are publically available upon request, and available on the internet. If the claimant does not believe a verification request is lawful, he need only consult the policy and determine whether verification is required; if it is not, he has a lawful basis with which to challenge that request.

However, a claimant's unfamiliarity with the law does not provide the basis for a refusal to provide verification, and there is no law that requires the Department to provide a statutory or policy cite before they can request information to determine eligibility. Therefore, there is no mitigation of the Department's request for verification in the current case by Claimant requesting for a statutory cite.

As such, the case is exceedingly simple. The Department requested verification of assets by June 18, 2012. Claimant received the request and did not provide the verification requested. Claimant did not request an extension. Therefore, the Department was correct when it closed Claimant's case, as it was unable to determine eligibility for the MA program.

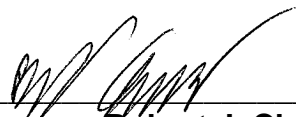
Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, the Administrative Law Judge concludes that the Department
 properly improperly

- 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.



Robert J. Chavez
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: August 15, 2012

Date Mailed: August 15, 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.

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

RJC/pf

cc:

