

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

**IN THE MATTER OF:**



Reg. No.: 201271433  
Issue No.: 3008  
Case No.: [REDACTED]  
Hearing Date: September 17, 2012  
County: Wayne (15)

**ADMINISTRATIVE LAW JUDGE:** Alice C. Elkin

**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 September 17, 2012, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Eligibility Specialist, and [REDACTED], Eligibility Specialist.

**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"/> Adult Medical Program (AMP)?       |
| <input checked="" type="checkbox"/> Food Assistance Program (FAP)? | <input type="checkbox"/> State Disability Assistance (SDA)? |
| <input type="checkbox"/> Medical Assistance (MA)?                  | <input type="checkbox"/> Child Development and Care (CDC)?  |

**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  AMP  SDA  CDC.
2. Claimant  was  was not provided with a Verification Checklist (DHS-3503).

3. Claimant was required to submit requested verification by July 23, 2012.
4. On August 14, 2012, the Department
  - denied Claimant's application
  - closed Claimant's case
  - reduced Claimant's benefitsfor failure to submit verification in a timely manner.
5. On August 14, 2012, the Department sent notice of the
  - denial of Claimant's application.
  - closure of Claimant's case.
  - reduction of Claimant's benefits.
6. On August 14, 2012, Claimant filed a hearing request, protesting the
  - denial.     closure.     reduction.

### **CONCLUSIONS OF LAW**

Department policies are found in the Department of Human Services Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM) and 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 Mich Admin Code, R 400.3101 through R 400.3131. 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 Mich Admin Code, R 400.3001 through R 400.3015.

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 Adult Medical Program (AMP) is established by 42 USC 1315, and is administered by the Department pursuant to MCL 400.10, *et seq.*

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 Mich Admin Code, R 400.3151 through R 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 Mich Admin Code, R 400.5001 through R 400.5015.

Additionally, the Department denied Claimant's July 10, 2012 FAP application because Claimant had failed to provide requested verifications concerning his income and rent. In his application and interview, Claimant informed the Department that he had odd jobs and received \$300 monthly in earned income from these jobs. Based on Claimant's statements, the Department sent Claimant a Verification Checklist (VCL) on July 12, 2012, requesting verification of rent and income by July 23, 2012. With respect to the income verifications, the Department requested the last 30 days of check stubs or earning statements, an employer statement, or a Verification of Employment (DHS-38) completed by the employer.

In this case, the verifications requested by the Department were not responsive to Claimant's situation. While Claimant indicated on his application that he received income for working odd jobs, the Department sent a VCL that, by requiring that Claimant submit paystubs or earning statements or an application or form completed by an employer, anticipated that Claimant was employed and received a regular paycheck. The Department may not deny assistance because an individual is unable to verify income. BEM 502 (January 1, 2011), p 6. In this case, Claimant's statements indicated that he was self-employed. Accordingly, the Department should have requested verifications of Claimant's self-employment income. While the client has primary responsibility to obtain required verification, the Department must assist if the client needs and requests help. BAM 130 (May 1, 2012), p 3. Although there was no evidence at the hearing that Claimant presented any concerns to the Department about his inability to provide the requested verifications prior to the due date, the Department did not act in accordance with Department policy when it requested verifications inappropriate under the circumstances and denied Claimant's FAP application for failure to provide verification of employment.

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.

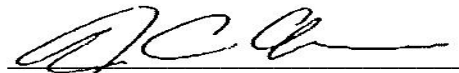
**DECISION AND ORDER**

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. Reregister Claimant's July 10, 2012 FAP application;
2. Begin reprocessing the application in accordance with Department policy and consistent with this Hearing Decision, including requesting verification of self-employment income;
3. Issue supplements to Claimant for any FAP benefits he was eligible to receive but did not from July 10, 2012, ongoing; and
4. Notify Claimant in writing of its decision in accordance with Department policy.



**Alice C. Elkin**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: September 24, 2012

Date Mailed: September 24, 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 **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:

201271433/ACE

- 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

ACE/hw

cc:

