

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 2012-71493
Issue No: 2006; 3015; 4013
Case No: [REDACTED]

[REDACTED]

ADMINISTRATIVE LAW JUDGE: Suzanne L. Morris

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon claimant's request for a hearing. After due notice, a telephone hearing was held on [REDACTED]. The claimant appeared and provided testimony, along with his wife, [REDACTED]. The department witness was [REDACTED]. It is noted that this hearing was conducted by three-way telephone conference call due to a no-contact zero tolerance order issued by the local office to the claimants.

ISSUES

Did the department properly close the claimant's Food Assistance Program (FAP) and deny the claimant's State Disability Assistance (SDA) application due to excess income?

Did the department properly deny the claimant's Medical Assistance (MA) application due to failure to comply with verification requirements?

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 submitted an application for MA on [REDACTED]. The claimant submitted an application for SDA on [REDACTED].
2. Claimant reported that he had received a worker's compensation settlement on his application.
3. On [REDACTED] the claimant was mailed a Verification Checklist (DHS-3503), requiring him to submit an award letter, court record or other legal document, check stub or other type of proof showing the amount of his

worker's compensation award. This was due to the department by [REDACTED]. Nothing was returned to the department.

4. On [REDACTED], the department mailed the claimant a Notice of Case Action (DHS-1605) that indicated the SDA had been denied, the MA was denied and the FAP was closed.
5. The claimant submitted a hearing request on [REDACTED].

CONCLUSIONS OF LAW

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 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) and the Bridges Reference Manual (RFT).

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department of Human Services (DHS or department) administers the SDA program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3151-400.3180. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Bridges Reference Manual (RFT).

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department of Human Services (DHS or department) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Bridges Reference Manual (RFT).

Department policy states:

CLIENT OR AUTHORIZED REPRESENTATIVE RESPONSIBILITIES

Responsibility to Cooperate

All Programs

Clients must cooperate with the local office in determining initial and ongoing eligibility. This includes completion of the necessary forms. BAM 105.

Refusal to Cooperate Penalties

All Programs

Clients who are able but refuse to provide necessary information or take a required action are subject to penalties. BAM 105.

Verifications

All Programs

Clients must take actions within their ability to obtain verifications. DHS staff must assist when necessary. See BAM 130 and BEM 702. BAM 105.

Assisting the Client

All Programs

The local office must assist clients who ask for help in completing forms (including the DCH-0733-D) or gathering verifications. Particular sensitivity must be shown to clients who are illiterate, disabled or **not** fluent in English. BAM 105.

Verification is usually required at application/redetermination **and** for a reported change affecting eligibility or benefit level. BAM 130.

Obtaining Verification

All Programs

Tell the client what verification is required, how to obtain it, and the due date (see "**Timeliness Standards**" in this item). Use the DHS-3503, Verification Checklist, or for MA redeterminations, the DHS-1175, MA Determination Notice, to request verification. BAM 130.

The client must obtain required verification, but you must assist if they need and request help.

If neither the client nor you can obtain verification despite a reasonable effort, use the best available information. If **no** evidence is available, use your best judgment. BAM 130.

Timeliness Standards

FIP, SDA, CDC, FAP

Allow the client 10 calendar days (**or** other time limit specified in policy) to provide the verification you request. BAM 130.

Exception: For CDC only, if the client cannot provide the verification despite a reasonable effort, extend the time limit at least once.

Verifications are considered to be timely if received by the date they are due. For electronically transmitted verifications (fax, email), the date of the transmission is the receipt date. Verifications that are submitted after the close of business hours through the drop box or by delivery of a DHS representative are considered to be received the next business day.

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. BAM 130.

Note: For FAP only, if the client contacts the department prior to the due date requesting an extension or assistance in obtaining verifications, you must assist them with the verifications but do not grant an extension. Explain to the client they will not be given an extension and their case will be denied once the VCL due date is passed. Also, explain their eligibility will be determined based on their compliance date if they return required verifications. Re-register the application if the client complies within 60 days of the application date; see BAM 115, Subsequent Processing. BAM 130.

FAP group composition is established by determining all of the following:

1. Who lives together.
2. The relationship(s) of the people who live together.

3. Whether the people living together purchase and prepare food together or separately.

4. Whether the person(s) resides in an eligible living situation; see **LIVING SITUATIONS** in this item.

RELATIONSHIPS

The relationship(s) of the people who live together affects whether they must be included or excluded from the group. First, determine if they **must** be included in the group. If they are **not** mandatory group members, then determine if they purchase and prepare food together or separately.

Spouses

Spouses who are legally married and live together **must** be in the same group.

Parents and Children

Children include natural, step and adopted children.

Parents and their children **under** 22 years of age who live together **must** be in the same group regardless of whether the child(ren) have their own spouse or child who lives with the group. BEM 212.

In this case, the claimant is disputing the closure of his FAP benefits and the denial of his SDA and MA. The claimant's MA was denied for failure to allow the department to verify required information. The claimant's SDA and FAP were denied for being over the income limit.

Claimants are required to comply with the local office to allow the department to determine initial or ongoing eligibility. BAM 105. The department informs the client what verification is required, how to obtain it, and the due date by using the Verification Checklist form (DHS-3503). BAM 130. Clients are provided ten days to return the verifications. BAM 130. If the time period to provide the verifications lapses and the verifications have not been provided, the department is directed to send a negative action notice. BAM 130.

The claimant was mailed a Verification Checklist (DHS-3503) on [REDACTED]. The claimant was required to submit proof of his worker's compensation payout that he

received. The claimant never submitted this proof. Thus, the department properly denied the MA for failure to verify required information.

The claimant also applied for SDA and was receiving FAP. However, the claimant's receipt of these programs depends upon the group composition of the household. Initially, it was learned through a telephone conversation that the claimant was residing with his estranged wife and their children. The second application submitted by [REDACTED], lists [REDACTED] and the children as living in the household and the application indicates that they sometimes buy food and fix and eat meals together. The claimant used some receipts to show how he spent his worker's compensation proceeds. One of these receipts is purportedly to [REDACTED] for \$3000. In the memo section it states "12 months rent @ \$250 month". Thus, this Administrative Law Judge finds that the great weight of the evidence shows the claimant was residing with his wife, whom he has not divorced or legally separated from, with whom he has children in common. BEM 212 states that parents and their children under [REDACTED] who live together must be in the same group. Further, the claimant indicated on his [REDACTED] application that the household sometimes purchases, prepares and eats food together. Thus, the department properly added the claimant's estranged wife, [REDACTED] and the other household members, to the claimant's case. The department properly included [REDACTED] income in claimant's FAP and SDA eligibility determination. This made the claimant excess income to receive FAP benefits and SDA benefits.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department properly closed the claimant's Food Assistance Program (FAP) and denied the claimant's State Disability Assistance (SDA) application due to excess income.

The department also properly denied the claimant's Medical Assistance (MA) application due to failure to comply with verification requirements.

Accordingly, the department's determinations are **UPHELD**. SO ORDERED.

/s/ _____
Suzanne L. Morris
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: [REDACTED]

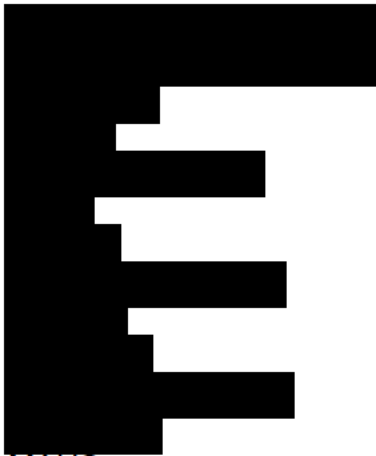
Date Mailed: [REDACTED]

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.

SLM/jk

cc:



MAHS