

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

**IN THE MATTER OF:**



Reg. No.: 2012-24257  
Issue Nos.: 2018, 4003  
Case No.: [REDACTED]  
Hearing Date: May 3, 2012  
County: Wayne (82-55)

**ADMINISTRATIVE LAW JUDGE:** Jonathan W. Owens

**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 May 3, 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 checked="" 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. The Department failed to demonstrate a verification checklist was provided to the Claimant.

3. On November 29, 2011, the Department
  - denied Claimant's application
  - closed Claimant's case
  - reduced Claimant's benefits
  
4. On November 29, 2011, the Department
  - denied Claimant's application
  - closed Claimant's case
  - reduced Claimant's benefits.
  
5. On November 29, 2011, the Department sent notice of the
  - denial of Claimant's application.
  - closure of Claimant's case.
  - reduction of Claimant's benefits.
  
6. On December 12, 2011, 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 AACRS 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 AACRS 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 AACS R 400.5001-5015.

In the instant case, Claimant applied for MA and cash. The Department testified Claimant was processed for the Adult Medical Program (AMP) and was ultimately denied based on the program not being open. The Department testified that Claimant's application failed to indicate he was disabled. However, the Department testified that Claimant did note he was unable to work and listed depression as an issue on his application. The Department failed to provide a copy of the application as part of their evidence packet. The Department testified since Claimant had failed to allege on his application that he was disabled, he was not processed for disability-based MA.

The Department then testified that Claimant was denied for the SDA program based upon a failure to return proof of participation with the [REDACTED]. The Department testified they had faxed a request to [REDACTED] regarding Claimant's participation. In addition, the Department testified a verification checklist was given to Claimant indicating the need for Claimant to return proof of [REDACTED] participation. The Department failed to have a copy of the verification checklist or evidence of a fax as part of their evidence packet. Claimant did testify he took a form to [REDACTED] and asked them to complete the form and provide it to the Department. Claimant testified he had offered to return the form to the Department but was told by [REDACTED] staff they would fax it to the Department. The Department testified the form was never received and the case was denied for failure to return verification. The Department testified that Claimant would not qualify for SDA based upon [REDACTED] participation due to a policy change effective October 1, 2011.

After reviewing the facts of the above case, this Administrative Law Judge finds the Department failed to process Claimant's application for all applicable programs. The Department did properly determine AMP was not open for Claimant. The Department's decision to deny SDA based upon a failure to return verifications is not supported by the evidence submitted for consideration. Ultimately, the denial of SDA based upon [REDACTED] participation alone would have been proper at the time of application. However, the Department had conflicting information in the application regarding Claimant's ability to work and whether he was disabled. The Department failed to inquire into whether Claimant was disabled. The Department had a duty to resolve the inconsistencies in the application and to process the application for disability-based MA and SDA.

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. Re-register the November 14, 2011, application for SDA and MA, considering eligibility based upon a disability;
2. Provide a written determination.



\_\_\_\_\_  
**Jonathan W. Owens**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: May 10, 2012

Date Mailed: May 10, 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.

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- 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

JWO/pf

cc:

