

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2012-26750
Issue No.: 2018, 3022
Case No.: [REDACTED]
Hearing Date: April 16, 2012
County: Macomb (20)

ADMINISTRATIVE LAW JUDGE: Colleen M. Mamelka

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 hearing was held in Warren, Michigan on Monday, April 16, 2012. The Claimant appeared and testified. Participating on behalf of Department of Human Services ("Department") was [REDACTED]

ISSUE

Whether the Department properly terminated the Claimant's food assistance ("FAP") benefits effective January 1, 2012?

Whether the Department properly terminated the Claimant's medical assistance ("MA") benefits effective January 1, 2012?

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. The Claimant was an ongoing FAP and MA recipient.
2. The Claimant has resided in the same premises for approximately 10 years.
3. On November 1, 2011, the Department sent a Mid-Certification Contact Notice relative to the Claimant's FAP benefits to be completed by December 1, 2011. (Exhibit 3)
4. On November 15, 2011, the Department sent a Redetermination packet relating to the Claimant's MA case to be completed by December 1, 2011.

5. The Claimant did not receive the MA Redetermination packet.
6. On November 30, 2011, the Claimant presented to the Department and turned in her Mid-Certification Contact Notice erroneously noting on the log that she was submitting her Redetermination. (Exhibits 2, 3)
7. The Mid-Certification Contact Notice was not registered and/or certified in Bridges.
8. On December 8, 2011, the Department received the Redetermination packet back from the U.S. Postmaster as undeliverable. (Exhibit 1)
9. On December 17, 2011, the Department sent a Notice of Case Action to the Claimant informing her that her MA benefits were scheduled for closure effective January 1, 2012, based on the failure to complete the MA Redetermination. (Exhibit 4)
10. On December 27, 2011, the Department received the Claimant's timely written request for hearing. (Exhibit 4)
11. On January 1, 2012, the Claimant's MA and FAP benefits terminated.
12. On January 11, 2012, the Department reinstated the Claimant's MA and FAP benefits pending the hearing. (Exhibit 6)

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 Mich Admin Code, Rules 400.3101 through Rule 400.3131. FIP replaced the Aid to Dependent Children program effective October 1, 1996.

The Food Assistance Program ("FAP"), formerly known as the Food Stamp 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. The Department, formerly known as the Family Independence Agency, administers FAP pursuant to MCL 400.10, *et seq.*, and Mich Admin Code, Rules 400.3001 through Rule 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. 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 Mich Admin Code, Rules 400.3151 through Rule 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, Rules 400.5001 through Rule 400.5015.

Clients must cooperate with the local office in determining initial and ongoing eligibility to include the completion of the necessary forms. BAM 105. For FAP purposes, groups assigned a 24-month benefit period will be sent a DHS-2240A, Mid-Certification Contact Notice, during the eleventh month of the benefit period. BAM 210. The DHS-2240A may be completed by the client, the client’s authorized filing representative or by the specialist (during a telephone call, home call or interview with the client); however, the form must be signed by the client or authorized filing representative. BAM 210. A report is considered complete when all of the sections (including the signature section) on the DHS-2240A are answered completely and required verifications are returned by the client or client’s authorized representative. BAM 210. The Mid-Certification Contact Notice must be recorded, data collection updated and EDBC results certified in Bridges by the last day of the 12th month after a completed DHS-2240A and all required verifications are received. BAM 210

If the DHS-2240A is **not** entered in Bridges as completed and the Department is unable to complete the form during a telephone call, home call, or interview with the client, Bridges automatically generates a redetermination packet and shortens the FAP benefit period according to policy in BAM 220 (Shortening a 24-Month FAP Benefit Period). BAM 210. In doing so, the Department will send a DHS-2063 A, Continuing Your Food Stamp Benefits, to the client explaining that the FAP benefits will expire the month after the DHS-2063A is sent. BAM 220. The notice will also provide the timely application date in order to avoid interruption of benefits. BAM 220.

Benefits stop at the end of the benefit period **unless** a redetermination is completed **and** a new benefit period is certified. If the client does not complete the redetermination process, FAP benefits will expire at the end of the benefit period. BAM 220. The redetermination process begins when the client files a DHS-1171, Assistance Application, DHS-1010, Redetermination, DHS-1171, Filing Form, or DHS-2063B, Food Assistance Benefits Redetermination Filing Record. BAM 220.

A negative action is a Department action to deny an application or to reduce, suspend, or terminate a benefit. BAM 220. Timely notice is required and must detail the action

taken by the Department, the reason for the action, the specific manual item which cites the legal base for an action or the regulation/law itself, an explanation of the right to request a hearing, and the conditions under which benefits are continued if a hearing is requested. BAM 220. Hearing requests received prior to the negative action effective date results in benefits continuing or benefits restored pending the hearing. BAM 220.

In this case, the Claimant received a monthly FAP benefit amount of \$62.00 through December 2011. The Claimant was on a 24-month certification period. On November 1, 2011, the Department sent the Mid-Certification Contact Notice to the Claimant with a due date of December 1, 2011. On November 30, 2011, the Claimant submitted the Mid-Certification Contact Notice to the Department noting that there were no changes. The Mid-Certification Contact Notice was not entered in Bridges as completed and it is unclear whether the DHS-2063B was sent to the Claimant. Regardless, the Claimant's benefits terminated effective January 1, 2012.

During this same time frame, on November 15, 2011, the Department sent a Redetermination packet to the Claimant for her MA benefits. Although the Redetermination was properly addressed, the packet was returned to the Department as undeliverable by the U.S. Postmaster. The Claimant has resided in the same residence for approximately 10 years. As a result of the Redetermination packet being returned, the Department sent a Notice of Case Action to the Claimant informing her that her MA benefits would terminate effective January 1st based on the failure to complete the redetermination process. On December 27, 2011, the Department received the Claimant's written request for hearing protesting the proposed closure of benefits. Despite the timely hearing request, and because the Department was operating short-staffed due to the holidays, the negative action was not deleted and the Claimant's MA case improperly closed effective January 1, 2012.

Subsequently, the Department attempted to rectify the situation by having the Claimant complete a new application for both MA and FAP benefits on January 11, 2012 in order to "reinstate" benefits pending this hearing. The Claimant completed the application resulting in the approval of MA and FAP benefits. Based on the new application, the Claimant's FAP benefits were reduced to \$42.00 and her MA deductible decreased from \$601.00 to \$597.00.

Although the Department failed to act in accordance with policy when it failed to enter the DHS 2240A in Bridges resulting in the Claimant's FAP benefits closing effective January 1, 2012, this error is harmless in that the Department did open FAP benefits in January 2012 for the amount of \$42.00. This benefit amount reflects the Claimant's increased RSDI (Retirement, Survivor, Disability, Insurance) income. Even if the Mid-Certification had been recorded, the Department would have been required to determine FAP eligibility effective January 1, 2012 due to the annual increase in RSDI income. This determination would have resulted in the Claimant receiving the \$42.00 FAP allotment, which she ultimately received and, as such, there is no negative action for the January FAP benefits.

Regarding the MA closure, the Department properly addressed the Redetermination packet to the Claimant; however it was returned as undeliverable by the U.S. Postmaster. As a result, the Department pending the case for closure on December 17, 2011. Despite receiving a timely hearing request which should have deleted the negative action, the Claimant's MA benefits terminated effective January 1st. Once again, the Department remedied the situation with the new application resulting in MA benefits being activated without loss of coverage and a lower deductible.

In conclusion, although there were errors in handling the Claimant's case, the errors are harmless in that ultimately, the Claimant received the FAP and MA benefits to which she was entitled. In light of the foregoing, it is found that the Department's actions are AFFIRMED.

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 properly corrected its non-compliance resulting in no loss of MA and/or FAP benefits.

Accordingly, the Department's actions are AFFIRMED.

Colleen M. Mamelka

Colleen M. Mamelka
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: April 19, 2012

Date Mailed: April 19, 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 receipt 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:
- misapplication of manual policy or law in the hearing decision,

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- 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
Re consideration/Rehearing Request
P. O. Box 30639
Lansing, Michigan 48909-07322

CMM/cl

cc:

