

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

IN THE MATTER OF:



Reg. No.: 201228242
Issue No.: 2001; 3019
Case No.: [REDACTED]
Hearing Date: March 8, 2012
County: Wayne (19)

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 March 8, 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], Assistance Payment Supervisor.

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

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

3. Claimant was required to submit requested verification by November 11, 2011.
4. On November 1, 2011, the Department
 - denied Claimant's application
 - closed Claimant's FAP case
 - reduced Claimant's benefitsfor failure to submit requested verification in a timely manner.
5. On March 1, 2012, the Department
 - denied Claimant's application
 - closed Claimant's AMP case
 - reduced Claimant's benefitsfor failure to submit requested verification in a timely manner.
6. On January 25, 2012, the Department sent notice of the
 - denial of Claimant's application.
 - closure of Claimant's cases.
 - reduction of Claimant's benefits.
7. On January 30, 2012, Claimant filed a hearing request, protesting the
 - denial. closure. reduction.

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 1999 AC, Rule 400.3101 through Rule 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 1999 AC, Rule 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 (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 2000 AACCS, Rule 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 1999 AC, Rule 400.5001 through Rule 400.5015.

Additionally, on January 25, 2012, the Department sent Claimant a Notice of Case Action closing his FAP case effective November 1, 2011 and his AMP case effective March 1, 2012, based on his failure to provide requested verifications. The Department testified that, in connection with Claimant's FAP and MA redetermination, Claimant failed to provide his October 2011 paystubs. The Department sent Claimant a Verification Checklist on October 27, 2011, requesting missing paystubs by November 7, 2011. Claimant responded on November 3, 2011, by sending the Department (by email and hard copy) a copy of his checking account statement, which showed the direct deposits of payments from his employer to his account.

At the hearing, Claimant testified that at the time he was requested to provide the paystubs, he was receiving direct deposits from his employer and was not aware that he could access information regarding his paystubs online. Claimant credibly testified that he contacted his worker to ask if his checking account would be sufficient. The Department acknowledged receiving Claimant's call but testified that it advised Claimant that the bank account statement would not be adequate. However, there was also evidence on the record that once the Department became aware that Claimant had a checking account, it did want a copy of the most recent statement in order to verify that Claimant did not have assets in excess of the benefit program asset limits.

A client has the responsibility to cooperate in providing the Department with requested information and documents. BAM 105. However, the Department has the responsibility to protect a client's rights and explain client responsibilities in understandable terms. BAM 105. Under the circumstances in this case, Claimant could, in good faith, have concluded that his checking account statement would be sufficient to establish his income. Claimant timely submitted the statement and, had he been advised that the statement was not sufficient proof of his income, would have had additional time to provide the requested paystubs. In light of the foregoing facts, the Department did not properly close Claimant's FAP and AMP cases.

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. Reinstate Claimant's FAP case, effective November 1, 2011;
2. Reinstate Claimant's AMP case effective March 1, 2012;
3. Begin reprocessing Claimant's FAP eligibility for November 1, 2011, ongoing in accordance with Department policy;
4. Issue supplements for FAP benefits Claimant was eligible to receive but did not from November 1, 2011, ongoing;
5. Begin reprocessing Claimant's AMP eligibility for March 1, 2012, ongoing in accordance with Department policy;
6. Issue supplements for AMP benefits Claimant was eligible to receive, but did not from March 1, 2012, ongoing; and
7. 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: March 13, 2012

Date Mailed: March 13, 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:
 - 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 to:

Michigan Administrative hearings
Reconsideration/Rehearing Request
P. O. Box 30639
Lansing, Michigan 48909-07322

ACE/hw

cc:

