

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

**IN THE MATTER OF:**



Reg. No.: 2012-35997  
Issue Nos.: 2006; 3008  
Case No.: [REDACTED]  
Hearing Date: March 26, 2012  
County: Wayne (82-19)

**ADMINISTRATIVE LAW JUDGE:** Robert J. Chavez

**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 26, 2012, from Detroit, Michigan. Participants on behalf of claimant included [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

**ISSUE**

1. Did the Department properly close claimant's Food Assistance Program (FAP) case?
2. Did the Department properly deny claimant's application for Medical Assistance (MA)?

**FINDINGS OF FACT**

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. Claimant applied for MA benefits in January 2012.
2. Claimant reported and verified shelter expenses during this application.
3. Claimant reported no income.
4. When asked about the discrepancy, claimant alleged that she was receiving payments from her sister and son to help with bills.

5. The Department requested verification of this income, and noted what standards claimant needed to follow in order to verify this income.
6. Claimant did not provide verification of income.
7. The Department was unable to determine eligibility.
8. On February 24, 2012, claimant was provided a notice of case action, stating that her FAP case was to be closed, and her MA application would be denied.
9. On February 24, 2012, claimant's FAP case was placed into closure.
10. On February 24, 2012, claimant requested a hearing.

### **CONCLUSIONS OF LAW**

Department policies are contained 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, 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 of Human Services (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 of Human Services (formerly known as the Family Independence Agency) administers the SDA

program pursuant to MCL 400.10, *et seq.*, and 2000 AACRS, 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.

The Department alleges that claimant failed to return verifications necessary to determine eligibility.

Claimant reported income to the Department when attempting to resolve a discrepancy; there was no indication that claimant's bills were being paid directly to the supplier and, therefore, the Department had the right to request information regarding the income, as the claimant was reporting a change from previous reports. BEM 500.

Claimant alleges that she told the Department that her son and daughter were providing her with donated monies. The Department alleges that claimant told her that her son and sister provided the income. The Administrative Law Judge finds the Department more credible in this instance. The Department provided written notes that were taken during and shortly after the conversation in question took place. The Administrative Law Judge finds written notes of the conversation to be persuasive, as the written notes are most likely to reflect the conversation that took place. Therefore, the Administrative Law Judge holds that claimant told the Department that income in question came from her son and sister.

Regardless, claimant was sent a copy of the notes and did not deny receiving these notes. These notes reflected that the sister would be queried regarding income, and the claimant did not contest this.

On January 19, 2012, claimant was sent a DHS-3503 requesting verification of income. This verification request required all verifications to be signed and dated, which was a reasonable request to insure against fraud.

Claimant, despite a copy of the notes and the explicit instructions in the DHS-3503, returned a typed letter, allegedly from her sister. This letter did not include any payment amounts and did not include a signature. As rightly pointed out during argument, this letter could have come from anybody, including claimant, and did not particularly verify any set of facts. Therefore, this letter did not provide verification and could not serve to establish eligibility.

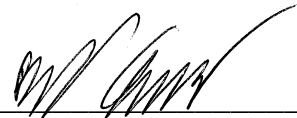
The Department made a reasonable attempt to contact claimant when it realized that the verification was insufficient and, thus, resolved itself of its duty to assist and resolve discrepancies, per BAM 130.

Therefore, as the Department notified claimant of what would be required to determine eligibility, and as the Department was required by policy to make an eligibility determination, and as claimant did not return the required documentation necessary to make an eligibility determination, the Administrative Law Judge holds that the Department was unable to make an eligibility determination in claimant's case. As the Department was unable to make an eligibility determination, the Department was, therefore, correct when it closed claimant's FAP case and denied claimant's MA application.

**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 when closing claimant's FAP case and denying claimant's MA application.

Accordingly, the Department's  AMP  FIP  FAP  MA  SDA  CDC decision is  AFFIRMED  REVERSED for the reasons stated on the record.



**Robert J. Chavez**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: March 29, 2012

Date Mailed: March 29, 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 at  
Michigan Administrative Hearings  
Reconsideration/Rehearing Request  
P. O. Box 30639  
Lansing, Michigan 48909-07322

RJC/pf

cc:

