

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201244987
Issue No.: 3022
Case No.: [REDACTED]
Hearing Date: May 7, 2012
County: Wayne (43)

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 May 7, 2012, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and [REDACTED] Authorized Hearing Representative (AHR). Participants on behalf of the Department of Human Services (Department) included [REDACTED], Eligibility Specialist.

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

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 AMP SDA CDC.

2. On December 31, 2011, the Department
 - denied Claimant's application
 - closed Claimant's case
 - reduced Claimant's benefitsfor failure to submit verification in a timely manner.

3. On March 28, 2012, the Department sent notice of the
 - denial of Claimant's application.
 - closure of Claimant's case.
 - reduction of Claimant's benefits.

4. On April 13, 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 AACS, 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, a client must complete a redetermination at least every 12 months in order for the Department to determine the client's continued eligibility for benefits. BAM 210. A FAP client must also complete a phone interview. BAM 210. FAP benefits stop at the end of the benefit period unless a redetermination is completed and a new benefit period is certified. BAM 210.

In this case, the Department testified that it sent out several documents on November 15, 2011, in connection with Claimant's FAP redetermination: the Redetermination form (DHS-1010), Redetermination Telephone Interview notice (DHS-574), and the Food Assistance Benefits Redetermination Filing Record (DHS-2063B). When it did not receive the completed redetermination, the Department sent Claimant a Notice of Missed Interview on December 5, 2011. Notwithstanding the fact that it never received a completed redetermination, on December 27, 2011, the Department sent Claimant a Verification Checklist (VCL), requesting information concerning Claimant's wife's employment income and loss of employment by January 6, 2012. The Department testified that, because it did not receive a completed redetermination, it closed Claimant's FAP case effective December 31, 2011 and sent him a March 28, 2012, Notice of Case Action informing him of the closure.

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 client's rights and explain client responsibilities in understandable terms. BAM 105. By sending Claimant a VCL on December 27, 2011 with a due date of January 6, 2012, despite the fact that Claimant's FAP case was due to close on December 31, 2011 because Claimant had failed to submit a completed redetermination, the Department created a situation where Claimant could, in good faith, believe that her response to the VCL would be sufficient to keep her FAP case open. This is particularly true where the VCL stated that FAP benefits could be denied, decreased or cancelled if the documents requested in the VCL were not received by the Department by the due date. In this case, Claimant's wife testified that she submitted the information requested in the VCL to the Department's office on January 5, 2012 and signed the sign-in log evidencing her submission. Although the Department denied receiving any response to the VCL, the Department reviewed the sign-in log for January 5, 2012 during the hearing and found an entry by Claimant for "proof of income." This evidence supports Claimant's testimony that she timely responded to the VCL. Because the Department failed to explain to Claimant in understandable terms that his FAP case would close despite his submission of the documents requested by the VCL, the

Department failed to act in accordance with Department policy. Under the circumstances in this case, the Department improperly closed Claimant's FAP case.

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 as of January 1, 2012;
2. Begin reprocessing Claimant's FAP redetermination in accordance with Department policy;
3. Issue supplements for any FAP benefits Claimant was eligible to receive but did not for January 1, 2012, ongoing; and
4. 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: May 11, 2012

Date Mailed: May 11, 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,
 - 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

ACE/cl

cc:

