

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

IN THE MATTER OF:



Reg. No.: 2012-45369
Issue No.: 3008
Case No.:
Hearing Date: June 11, 2012
County: Oakland (03)

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 June 11, 2012, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of Department of Human Services (Department) included , Eligibility Specialist, and Eligibility Specialist.

ISSUE

Did the Department properly deny Claimant's application close Claimant's case for:

- | | |
|--|---|
| <input type="checkbox"/> Family Independence Program (FIP)? | <input type="checkbox"/> Adult Medical Assistance (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)? |
| <input type="checkbox"/> Direct Support Services (DSS)? | |

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 benefits received benefits for:

- | | |
|--|---|
| <input type="checkbox"/> Family Independence Program (FIP). | <input type="checkbox"/> Adult Medical Assistance (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). |
| <input type="checkbox"/> Direct Support Services (DSS). | |

2. Claimant was was not provided with a Verification of Employment forms (DHS-38).
3. Claimant was required to submit requested verification by March 19, 2012.
4. On May 1, 2012, the Department denied Claimant's application closed Claimant's case due to failure to provide requested verifications.
5. On March 23, 2012, the Department sent Claimant Claimant's Authorized Representative (AR) notice of the denial. closure.
6. On April 3, 2012, Claimant filed a hearing request, protesting the denial of the application. closure of the case.

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 1999 AC, R 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, R 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 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 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, R 400.5001 through Rule 400.5015.

Direct Support Services (DSS) is administered by the Department pursuant to MCL 400.57a, *et seq.*, and Mich Admin Code R 400.3603.

Additionally, in connection with a Hearing Decision signed March 13, 2012, reinstating Claimant's FAP and AMP cases and requiring the Department to recalculate Claimant's income eligibility for both programs, Claimant was required to provide the Department with (i) pay stubs for the month of December 2011 from her two employers at the time, [REDACTED] and (ii) verifications from both [REDACTED] specifying the last date Claimant received earnings from each organization and verification that she was no longer receiving pay from them.

The Department testified that it provided Verification of Employment forms (DHS-38) to Claimant on March 8, 2012, for completion and submission by [REDACTED] by March 19, 2012. Claimant acknowledged receiving the forms. The Department also sent Claimant a Verification Checklist on March 12, 2012, requesting information from any unknown employer by March 22, 2012.

The Department testified that the only responses it received from the employers was a DHS-38 received on March 8, 2012, from [REDACTED] which Claimant identified as a new employer beginning in January 2012, and an employer payroll voucher register report for January 2012 received on March 21, 2012, from Expert Care. The Department concluded that the responses were insufficient because it had not received complete information regarding Claimant's December 2011 income from [REDACTED]. The Department sent Claimant a Notice of Case Action on March 23, 2012, notifying her of the closure of her FAP and AMP cases effective May 1, 2012. Claimant requested a hearing, solely with respect to the closure of her FAP case.

For FAP cases, the Department must verify income that decreases or stops. BEM 500 ; BEM 501. The March 13, 2012, Hearing Decision also required that Claimant provide verification from [REDACTED] concerning the last date Claimant received income and verifying that she was no longer receiving income from them. At the hearing, Claimant testified that, while she had anticipated employment income from [REDACTED] and had advised the Department of her anticipated income, she became ill in December 2011 and never completed any assignments for [REDACTED] or even its training program. Because Claimant credibly testified that she never actually worked for [REDACTED] she did not have any income or any employment termination to verify with respect to [REDACTED]. Therefore,

the Department could not rely on the lack of verification from [REDACTED] to justify closure of Claimant's FAP case.

With respect to her employment with [REDACTED], Claimant testified that she only completed a few assignments with [REDACTED] and had limited income from that employer. She contended that the Department had all the information regarding income she received from [REDACTED]. The employer payroll voucher register report [REDACTED] submitted to the Department showed a payment to Claimant in January 2012. The Department acknowledged that it also had a DHS-38 dated December 14, 2011, from [REDACTED] showing paychecks to Claimant on December 2, 2011 and December 9, 2011. However, the Department did not have any information from [REDACTED] concerning the remainder of December 2011. Because the evidence established that Claimant received two paychecks from [REDACTED] in early December 2011 and another in January 2012, the Department justified its request for verification for information concerning Claimant's income from [REDACTED] for the remainder of December 2011. Because Claimant did not have [REDACTED] provide this information, the Department acted in accordance with Department policy when it closed Claimant's FAP case for failure to provide requested verifications.

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 denied Claimant's application
- improperly denied Claimant's application
- properly closed Claimant's case
- improperly closed Claimant's case

for: AMP FIP FAP MA SDA CDC DSS.

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 AMP FIP FAP MA SDA CDC DSS decision is AFFIRMED REVERSED for the reasons stated on the record.



Alice C. Elkin
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: June 14, 2012
Date Mailed: June 14, 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

ACE/cl

cc:

