

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201260733
Issue No.: 2006; 4003
Case No.: [REDACTED]
Hearing Date: September 24, 2012
County: Wayne (35)

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 September 24, 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"/> Adult Medical Program (AMP)? |
| <input type="checkbox"/> Food Assistance Program (FAP)? | <input checked="" type="checkbox"/> State Disability Assistance (SDA)? |
| <input checked="" 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. Claimant was was not provided with a Verification Checklist (DHS-3503).

3. On June 7, 2012, the Department sent Claimant a Notice of Case Action closing her SDA case, effective July 1, 2012, for failure to submit verification in a timely manner.
4. On May 16, 2012, the Department sent Claimant a Notice of Case Action closing her MA case, effective June 1, 2012, for failure to submit verification in a timely manner.
5. On June 18, 2012, Claimant filed a hearing request, protesting the closures.

CONCLUSIONS OF LAW

Department policies are found in the Department of Human Services Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM) and 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 (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 Mich Admin Code, 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.

Additionally, the Department closed Claimant's MA and SDA cases because Claimant failed to verify requested information. However, at the hearing, the Department acknowledged that Claimant had submitted all of the requested documentation and that it had erroneously closed Claimant's MA and SDA cases. The Department was agreeable to reinstating Claimant's cases.

However, the Department testified that Claimant's reinstatement and issuance of supplements would be subject to the MRT's decision concerning Claimant's disability. The Department explained that Claimant's cases had been transferred from another office, and it did not have any documentation concerning the MRT approval of her disability. Generally, the Department may refer a client to MRT to determine continued disability only when one of conditions cited in BEM 260 (October 1, 2011), pp 5-7, arise, none of which are applicable in this case. However, when a client's physical case record cannot be located, the Department must have the client sign a new application and obtain sufficient verifications and documentation to support the eligibility determination. BAM 305 (July 1, 2009), p 12. Because the Department testified that it did not have an MRT disability finding in its file for Claimant, when Claimant reapplied for MA and SDA benefits and provided new medical documentation to the Department, the Department properly forwarded the documents to MRT for assessment of disability in order to include MRT's disability finding in its file. However, if MRT determines there is no disability, the Department must provide timely notice of any action it will take with respect to Claimant's MA and SDA cases, and Claimant will have the opportunity to request a hearing with respect to the Department's action. BAM 220 (May 1, 2012), pp 3-4, 14-15.

Because the Department improperly closed Claimant's MA and SDA cases on the basis that Claimant failed to verify requested information, the Department did not act in accordance with Department policy when it closed Claimant's MA and SDA cases. While the Department could seek documentation from MRT concerning Claimant's disability in order to reconstruct the file, any findings resulting from an MRT review should affect benefits from the date of MRT's finding ongoing.

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 cases.
- denied Claimant's application.
- reduced Claimant's benefits.

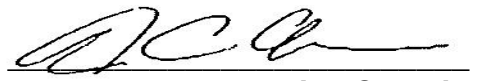
DECISION AND ORDER

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 above and 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 MA case as of June 1, 2012;
2. Provide Claimant with MA coverage she is eligible to receive from June 1, 2012, ongoing, in accordance with Department policy and consistent with this Hearing Decision;
3. Reinstate Claimant's SDA case as of July 1, 2012;
4. Issue supplements to Claimant for any SDA benefits she was eligible to receive, and in the amount she had been receiving prior to the case closure, from July 1, 2012, ongoing in accordance with Department policy and consistent with this Hearing Decision;
5. 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: 10/29/2012

Date Mailed: 10/9/2012

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:

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- 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

elkin/hw

cc:

