

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 201266557  
Issue No.: 2006; 3008  
Case No.: [REDACTED]  
Hearing Date: August 23, 2012  
County: Wayne (57)

**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 August 23, 2012, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Family Independence Manager, and [REDACTED], Assistance Payment Worker.

**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 checked="" type="checkbox"/> Medical Assistance (MA) and Medical Savings Program (MSP)? |   |
| <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 and MSP  AMP  
 SDA  CDC.
2. Claimant  was  was not provided with a Verification Checklist (DHS-3503).

3. Claimant was required to submit requested verification by July 13, 2012.
4. On August 1, 2012, the Department
  - denied Claimant's application
  - closed Claimant's cases
  - reduced Claimant's benefitsfor failure to submit verification in a timely manner.
5. On July 16, 2012, the Department sent notice of the
  - denial of Claimant's application.
  - closure of Claimant's case.
  - reduction of Claimant's benefits.
6. On July 23, 2012, Claimant filed a hearing request, protesting the
  - denial.  closure.  reduction.

### **CONCLUSIONS OF LAW**

Department policies are found in the Department of Human Services, 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, in a July 16, 2012, Notice of Case Action. The Department notified Claimant that it was closing her FAP case and MA case, including her MSP benefits, effective August 1, 2012, based on Claimant's failure to provide requested verifications. At the hearing, the Department testified that Claimant had disclosed a checking and savings account in her FAP, MA, and MSP redetermination. The Department had requested bank and checking account verification for purposes of verifying Claimant's asset eligibility under the FAP and MA programs.

At the hearing, Claimant acknowledged that she had failed to submit the requested bank documents by the July 13, 2012 due date. While she testified that she had brought the documents to the Department at some point after she received the July 16, 2012 Notice of Case Action closing her case, she was unable to establish when she had provided them to the Department, particularly if it was prior to the August 1, 2012 negative action effective date. [See BAM 220 (May 1, 2012), p 10]. The Department did not have a copy of the bank statements at issue in its file. Under these facts, the Department acted in accordance with Department policy when it closed Claimant's FAP, MA, and MSP cases effective August 1, 2012 for failure to provide requested verifications.

At the hearing, the Department testified that Claimant had reapplied for MA, FAP and MSP benefits on August 14, 2012 at a different local office than where she previously had her cases, and her application had been approved and certified on August 17, 2012. This hearing decision does not affect the approval of Claimant's reapplication.

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 on the record.

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

Date Signed: August 29, 2012

Date Mailed: August 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

ACE/hw

cc: [REDACTED]