

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

IN THE MATTER OF:



Reg. No.: 2012 66640
Issue No.: 3008, 1017, 5016
Case No.: [REDACTED]
Hearing Date: August 29, 2012
County: Oakland County DHS(02)

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

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 29, 2012, from Detroit, Michigan. Participants on behalf of Claimant included the Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], JET 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"/> State Disability Assistance (SDA)? |
| <input checked="" type="checkbox"/> Food Assistance Program (FAP)? | <input type="checkbox"/> Child Development and Care (CDC)? |
| <input type="checkbox"/> Medical Assistance (MA)? | |

Did the Department properly deny Claimant's request for State Emergency Relief (SER) assistance with energy or utility service(s)?

Did the Department correctly calculate the Claimant's FIP benefits for April and May until Claimant requested closure of her FIP case?

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 SDA CDC.

2. Claimant was required to submit requested verification by June 1, 2012 (redetermination).
3. On June 30, 2012 , the Department
 - denied Claimant's application.
 - closed Claimant's case(FAP)
 - reduced Claimant's benefits .
4. On June 1, 2012 , the Department sent notice of the
 - denial of Claimant's application.
 - closure of Claimant's case Notice of Missed Interview (Exhibit 2).
 - reduction of Claimant's benefits.
5. On June 6, 2012, Claimant applied for SER assistance with energy or utility service.
6. On June 6, 2012 , the Department sent notice of the application denial to Claimant. (Exhibit 4)
7. At the time of the SER application Claimant had \$261.08 in her bank account and her utility bill was \$106.74.
8. The Claimant applied for FIP benefits on March 26, 2012 and was receiving child support at the time of her application.
9. The Claimant's FIP case was closed, at her request, in June because she believed the Department was not calculating her benefits correctly, and, because she began a job and was also denied a deferral by MRT from attending Work First.
10. On 7/27/12, Claimant filed a hearing request, protesting the
 - denial of claimant's SER application.
 - closure of Claimant's FAP case.
 - the amount of her FIP cash assistance benefits.
 - reduction of Claimant's benefits.

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 1997 AACRS R 400.3101-3131. 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 1997 AACS R 400.3001-3015

The State Emergency Relief (SER) program is established by 2004 PA 344. The SER program is administered pursuant to MCL 400.10, *et seq.*, and by 1999 AC, Rule 400.7001 through Rule 400.7049. Department policies are found in the State Emergency Relief Manual (ERM).

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 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 1998-2000 AACS R 400.3151-400.3180.

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 1997 AACS R 400.5001-5015.

Additionally, The Department sent the Claimant a second redetermination packet on June 6, 2012, after the Claimant advised the Department that the packet had not been received. The Department never received a redetermination from the Claimant and closed the Claimant's FAP assistance case for failure to complete the redetermination. It appears, based upon the evidence presented at the hearing, that the Department correctly closed the Claimant's FAP case (waiting as late as June 30, 2012 to close the case). Under these facts and circumstances, it is determined that the Department correctly closed the FAP case because the Claimant never completed the redetermination. Department of Human Services Bridges Administrative Manual, (BAM) 130 (2011).

SER Application Denial

The Department timely denied the Claimant's request for SER for her utility bill. The Department determined, based on the Claimant's assets at the time, that she was not eligible for SER because the Claimant's asset co-payment was equal to, or greater than, the amount needed to resolve the emergency (Exhibit 4). The Department sent the Claimant the SER decision notice, at the correct address, advising the Claimant of its

decision. The Claimant testified that she did not receive the decision, and thus caused her utility to be shut off. Notwithstanding the unfortunate circumstance of Claimant's utility being shut off, the Department correctly determined that the Claimant was not eligible for SER based on her current assets and thus is not otherwise responsible for the Claimant's utility bill under its policies. It is noted that the Decision Notice was sent to the Claimant in a timely manner and to the correct address. Thus, it is found the notice was received and the Department's actions denying the SER request was correct and is affirmed based upon the SER budget provided by the Department, which used the correct asset information and the correct utility bill amount. Department of Human Service Emergency Relief Manual (ERM) 103, (2011). Exhibit 4.

Family Independence Benefits

The Claimant, in her request for hearing, indicated that she believed that her FIP benefits were improperly calculated based upon her child support and that errors were made in her FIP benefit amount. The Department did not present any FIP budgets at the hearing and a fair reading of the hearing request put the Department on notice that the cash benefit amounts were at issue. It must be noted that the Department, if it did not correctly calculate the FIP benefits, must supplement the Claimant for FIP benefits the Claimant should have received. It is further noted that the Department is not responsible for the FIP benefit closure, as the Claimant requested the closure due to beginning employment and indicating to the Department that she did not want to attend Work First after MRT denied a medical deferral for the Claimant. Nonetheless, the Claimant is entitled to all benefits she is entitled to receive in the correct amount. The Department did not meet its burden of proof as to whether the FIP benefits were correct and thus must recalculate the benefits.

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 Food Assistance case.

denied Claimant's SER application.

reduced Claimant's benefits.

The Department did not demonstrate that the FIP benefit amounts received by the Claimant from the date of application until closure were correctly calculated, and thus did not establish that the FIP benefit amounts were correct.

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 and set for in this decision as regards the closure of Claimant's FAP case and denial of the Claimant's SER application.

The Department did not demonstrate that it correctly calculated Claimant's FIP benefits and therefore did not establish that it acted correctly .
Accordingly the Departments decision is REVERSED

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. The Department shall initiate reopening of the Claimant's FIP case retroactive to the date of closure.
2. The Department shall recalculate the Claimant's FIP benefits for the period from her application through the date of closure to determine if the FIP benefits issued were correct based upon income, if any, Claimant received and child support received.
3. If upon recalculation of the FIP benefits, the Department determines that it erred in the calculation of Claimant's FIP benefits and that the Claimant did not receive the full amount of her FIP benefits based on this recalculation, the Department shall issue a supplement to the Claimant for any FIP benefits the Claimant was otherwise entitled to receive in accordance with Department policy.


Lynn M. Ferris
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: September 6, 2012

Date Mailed: September 6, 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.

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

LMF/hw

cc:

