

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201266805
Issue No.: 3008
Case No.: [REDACTED]
Hearing Date: August 29, 2012
County: Wayne DHS (31)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 included the above named claimant. Participants on behalf of Department of Human Services (DHS) included [REDACTED], Specialist.

ISSUE

The issue is whether DHS properly denied Claimant's application for Food Assistance Program (FAP) benefits due to Claimant's alleged failure to verify stopped employment income for her spouse.

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. On 6/25/12, Claimant applied for FAP benefits.
2. On Claimant's FAP benefit application, it was noted that her spouse lost his employment in 2/2012.
3. On an unspecified date, DHS requested verification of Claimant's spouse's stopped employment income.
4. Claimant reported that the stopped income information was available through a DHS database.

5. DHS failed to check their available databases to verify the stopped income.
6. On 7/9/12, DHS denied Claimant's FAP benefit application due to a failure by Claimant to verify her spouse's stopped employment income.
7. On 7/24/12, Claimant requested a hearing to dispute the FAP benefit denial.

CONCLUSIONS OF LAW

The Food Assistance Program (formerly known as the Food Stamp 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). DHS administers the FAP pursuant to Michigan Compiled Laws 400.10, *et seq.*, and Michigan Administrative Code R 400.3001-3015. DHS regulations are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT). Updates to DHS regulations are found in the Bridges Policy Bulletin (BPB).

A request for program benefits begins with the filing of a DHS-1171 or other acceptable form. BAM 110 at 1. Before processing an application, DHS can require a client to verify information within their application. Verification is usually required at application. BAM 130 at 1. DHS must give clients at least ten days to submit verifications. *Id.* Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. *Id.* DHS must tell the client what verification is required, how to obtain it, and the due date. *Id.* at 2. DHS is to use the DHS-3503, Verification Checklist to request verification. *Id.* at 3. DHS is to verify income that stopped within the 30 days prior to the application date, or while the application is pending before certifying the group. BEM 505 at 11.

The present case concerned a denial of FAP benefits. It was not disputed that the basis for denial was Claimant's failure to verify stopped employment income for her spouse. It was also not disputed that the income stopped approximately four months prior to Claimant's application date. Because the income stopped long before 30 days prior to the application date, DHS had no reason to require verification that the income stopped. Accordingly, the DHS request for verification of the stopped employment income was unnecessary and the subsequent denial for failure to verify the income was improper.

For good measure, DHS did not need to request verification because they could have verified the stoppage by checking an employment verification system called "The Work Number". At application, redetermination, semi-annual contact and mid-cert contact, DHS is to check all available automated systems matches to see if income has started, stopped or changed. BAM 105 at 11. DHS regulations notes that The Work Number is not an automated system match, but it is appropriate to use if a verification of income is not available because the employer uses the Work Number and won't provide the employment information. *Id.* It was not disputed that Claimant reported that her spouse's former employment was a participating The Work Number employer and that

DHS eventually verified the employment stoppage through The Work Number. Thus, the denial was also improper because DHS failed to utilize their database to access the information.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS improperly denied Claimant's application for FAP benefits. It is ordered that DHS:

- (1) reinstate Claimant's application for FAP benefits dated 6/25/12; and
- (2) process Claimant's application subject to the finding that there was no requirement to verify Claimant's spouse's employment stoppage because the stoppage occurred more than 30 days prior to the application date.

The actions taken by DHS are REVERSED.



Christian Gardocki
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: September 5, 2012

Date Mailed: September 5, 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.

201266805/CG

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

CG/hw

cc:

[REDACTED]