

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

**IN THE MATTER OF:**



Reg. No.: 201272711  
Issue No.: 2018; 3019  
Case No.: [REDACTED]  
Hearing Date: October 24, 2012  
County: Wayne (17)

**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 October 24, 2012, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of Department of Human Services (Department) included [REDACTED], Family Independence Manager.

**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 checked="" 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 checked="" type="checkbox"/> Medical Assistance (MA).       | <input type="checkbox"/> Child Development and Care (CDC).  |
| <input type="checkbox"/> Direct Support Services (DSS).            |   |

2. On July 16, 2012 and August 24, 2012, the Department  
 denied Claimant's application     closed Claimant's case  
due to receipt of benefits in another state for the benefit period.
3. On July 16, 2012 and August 24, 2012, the Department sent  
 Claimant     Claimant's Authorized Representative (AR)  
notice of the     denial.     closure.
4. On August 22, 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 AACS, 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, on July 16, 2012, Claimant applied for MA and FAP benefits for herself and her minor child. In her application, Claimant disclosed that she had received FAP and MA benefits in Georgia. On July 16, 2012 and August 24, 2012, the Department sent Notices of Case Action denying Claimant's FAP and MA application. After the hearing, a closer review of the Notices, which showed that FAP was denied as of July 16, 2012, ongoing, and as of August 1, 2012, ongoing, shows that there may have been two applications filed by Claimant with the Department: the July 16, 2012, application referenced by the Department during the course of the hearing, and an August 1, 2012, application.

#### Denial of MA Application

The Department denied Claimant's MA application(s) because (i) Claimant and her daughter "received the same program benefits in another state for the benefit period," (ii) the Department could not determine the parties' eligibility under the Adult Medical Program (AMP) because enrollment under the program was frozen, (iii) the individuals do not live with the applicant and are not considered part of the household group, and (iv) the parties' were not blind, disabled, pregnant, parent/caretaker relative of a dependent child or meet age requirements.

The Department properly concluded that Claimant was not eligible for AMP medical coverage, which provides limited medical services for persons not eligible for MA coverage, because the program was closed to new enrollees at the time of her application. See BEM 100 (June 1, 2012), p 4. However, the evidence does not support the application denial for any of the other cited reasons. Because Claimant's daughter is seventeen years old, Claimant is a parent/caretaker eligible for MA coverage under the Group 2 Caretaker (G2C) program and the daughter is eligible under the Other Healthy Kids (OHK) program. See BEM 135 (January 1, 2011); BEM 131 (October 1, 2010). While the Department and Claimant both verified that Claimant's two sons did not live in the same home with Claimant, Claimant and her minor daughter live in the same household, so denial on the basis that the individual does not live with the applicant did not apply to Claimant and her daughter.

The Department testified that the primary reason Claimant's MA application was denied was due to her receipt of medical assistance in Georgia. When Claimant disclosed in her application that she had received MA benefits from Georgia, the Department required Claimant to provide verification that she was no longer receiving MA coverage

from Georgia before it would process the MA application. However, Department policy provides that the Department must assume an MA or AMP applicant is not receiving medical benefits from another state unless evidence suggests otherwise and should not delay the MA/AMP determination. BEM 222 (June 1, 2011), p 2. Upon approval, the Department must notify the other state's agency of the effective date of the client's medical coverage in Michigan. BEM 222, p 2. There was no evidence in the instant case that Claimant and her daughter did in fact receive MA coverage from Georgia at the time the applications were processed. Thus, the Department did not act in accordance with Department policy when it denied Claimant's MA application for herself and her daughter on the basis that they continued to receive MA benefits from Georgia.

#### Denial of FAP Application

A person cannot receive FAP in more than one state for any month. BEM 222. When an applicant has arrived from another state within 30 days before the application is filed or presents current identification from another state, the Department must verify out-of-state benefit receipt or termination by one of the following: a DHS-3782, Out-of-State Inquiry; a letter or document from the other state; or collateral contact with the state. BEM 222 (June 1, 2011), p 3. Claimant testified at the hearing that she arrived to Michigan from [REDACTED] on June 22, 2012. Thus, her July 16, 2012 FAP application was filed within 30 days of her arrival.

The Department denied Claimant's FAP application on July 16, 2012 and on August 24, 2012, because Claimant and her daughter "received the same program benefits in another state for the benefit period." However, the Department presented no evidence that Claimant continued to receive FAP benefits from [REDACTED]. The Department testified that it contacted [REDACTED] authorities but was unable to get any information concerning Claimant's benefit status because Claimant had not provided the name of her caseworker or her [REDACTED] case number, information that was required in order to retrieve benefit information from the State of [REDACTED]. The Department also sent Claimant a Verification Checklist (VCL) on July 16, 2012, requesting that she provide proof of her case closure in the form of a letter from Georgia by July 27, 2012. This VCL was sent on the same date that the first Notice of Case Action, which referenced the July 16, 2012, application, was sent.

Claimant testified that she had contacted [REDACTED] authorities by phone to close her case but had not received any written verification of the case closure from Georgia as of the hearing date. The Department must not deny eligibility due to a failure to cooperate with a verification request by a person outside the group. BAM 105 (September 1, 2012), p 5. Because [REDACTED] authorities did not comply with Claimant's request for written verification of her case closure, the Department did not act in accordance with Department policy when it denied Claimant's application on the basis that she continued to receive benefits in another state. Furthermore, during the course of her testimony, Claimant indicated that she used her case number for her [REDACTED] benefits case in order to close her case. The Department testified that it did not have this information, but Claimant's testimony established that she may have been able to provide this information if requested. Finally, although the Department testified that it no longer

uses the DHS-3782 to verify out-of-state benefits, current policy continues to reference use of the form to verify such 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 improperly denied Claimant's MA and FAP application.

### **DECISION AND ORDER**

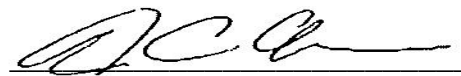
The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department

did act properly.  did not act properly.

Accordingly, for the reasons stated above and on the record, the Department's decision regarding  AMP  FIP  FAP  MA  SDA  CDC  DSS decision is  AFFIRMED  REVERSED.

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

1. Reregister Claimant's July 16, 2012, application, and, if applicable, Claimant's August 1, 2012, application;
2. Begin reprocessing Claimant's MA eligibility in accordance with Department policy and consistent with this Hearing Decision;
3. Provide MA coverage to Claimant and her daughter that they are eligible to receive from July 16, 2012, ongoing;
4. Verify the termination of Claimant's [REDACTED] FAP benefits, in accordance with Department policy;
5. If confirmation of termination of benefits is received, begin reprocessing Claimant's eligibility for FAP benefits for July 16, 2012, ongoing, in accordance with Department policy;
6. Issue supplements to Claimant for FAP benefits Claimant was eligible to receive but did not from July 16, 2012, ongoing; and
7. 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: 10/30/2012

Date Mailed: 10/30/2012

**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:

