

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2013-1768  
Issue No.: 2006  
Case No.: [REDACTED]  
Hearing Date: January 2, 2013  
County: Wayen (82-35)

**ADMINISTRATIVE LAW JUDGE:** Robert J. Chavez

**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 January 2, 2013, from Detroit, Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

**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 type="checkbox"/> Food Assistance Program (FAP)?      | <input type="checkbox"/> Child Development and Care (CDC)?  |
| <input checked="" type="checkbox"/> Medical Assistance (MA)? |                                                             |

**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 August 31, 2012.
3. On October 1, 2012, the Department  
 denied Claimant's application.  
 closed Claimant's case.  
 reduced Claimant's benefits .

4. On September 20, 2012, the Department sent notice of the
- denial of Claimant's application.
  - closure of Claimant's case.
  - reduction of Claimant's benefits.
5. On September 28, 2012, Claimant filed a hearing request, protesting the
- denial of Claimant's application.
  - closure of Claimant's case.
  - 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 AACS 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 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.

The Department argued that claimant had submitted insufficient pay stubs to determine eligibility.

Claimant argued that he submitted every pay stub that the Department had asked for.

BAM 130 provides insight in these situations:

If neither the client nor you can obtain verification despite a reasonable effort, use the best available information. If **no** evidence is available, use your best judgment. BAM 130, p. 3 (2012).

There is no evidence that Claimant did not make a reasonable effort to return the pay stubs in question; Claimant testified that he had contacted the Department to find out why his case had closed due to genuine confusion. The Department did not rebut this testimony. The undersigned does not find credible the argument that Claimant purposely returned only half of the needed verifications, and then contacted the Department to question why his case had closed. The more likely scenario is that Claimant sent the Department what he assumed were the verifications needed; also likely is that Claimant did submit full verifications and some of the verifications were misplaced during routine paperwork handling.

Therefore, as Claimant used a reasonable effort to obtain verification and return the paystubs he believed were appropriate, and sent the Department in good faith what were thought to be sufficient verifications, the Department, if it felt the verification in question insufficient, should have, at the very least, contacted Claimant to alert her that the verification was insufficient.

Thus, as the Department did not notify Claimant that verifications Claimant submitted were incomplete; and as Claimant used a reasonable effort when providing the Department with requested information, the Department was in error when closing Claimant's case for failing to return the verifications in question and by not alerting Claimant to the mistake.

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 case.

denied Claimant's application.

reduced Claimant's benefits.

### **DECISION AND ORDER**

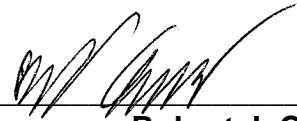
The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department

did act properly     did not act properly.

Accordingly, the Department's decision is  AFFIRMED  REVERSED for the reasons stated on the record.

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 retroactive to the date of negative action; if the redetermination in question is still necessary, the Department may initiate reprocessing of that redetermination.



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**Robert J. Chavez**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: February 4, 2013

Date Mailed: February 5, 2013

**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

2013-1768/RJC

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

RJC/pf

cc:

