

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

IN THE MATTER OF:



Reg. No.: 2013-27334
Issue Nos.: 2006, 3008
Case No.: [REDACTED]
Hearing Date: May 23, 2013
County: Wayne (82-15)

ADMINISTRATIVE LAW JUDGE: Eric Feldman

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 May 23, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

ISSUES

1. Due to Claimant's failure to comply with the verification requirements, did the Department properly close Claimant's case for Food Assistance Program (FAP) effective February 1, 2013, ongoing?
2. Due to Claimant's failure to comply with the verification requirements, did the Department properly close Claimant's case for Medical Assistance (MA) effective January 1, 2013, ongoing?

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 MA and FAP benefits on January 2, 2013. Exhibit 1.
2. Claimant was required to submit requested verification by January 18, 2013. Exhibit 1.
3. The Department did not receive the requested verifications by the January 18, 2013, due date.

4. On January 22, 2013, the Department sent Claimant a Notice of Case Action notifying her that her MA benefits were denied effective January 1, 2013, ongoing, due to Claimant's failure to comply with the verification requirements. Exhibit 2.
5. Also, on January 22, 2013, the Department sent Claimant a Notice of Case Action notifying her that her FAP benefits were denied effective February 1, 2013, ongoing, due to Claimant's failure to comply with the verification requirements. Exhibit 2.
6. On January 25, 2013, the Department sent Claimant a Verification of Employment with a due date of February 4, 2013. Exhibit 1.
7. On January 31, 2013, Claimant filed a hearing request, protesting the denial of her MA and FAP applications. Exhibit 1.

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 AACRS 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 AACRS 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 AACRS R 400.5001-5015.

As a preliminary matter, it was discovered during the hearing that Claimant was non-cooperative with the Office of Child Support (OCS) as of March 18, 2013. See Exhibit 2. However, the non-cooperation is subsequent to the MA and FAP application denials as well as Claimant's Request for Hearing. Thus, this decision will only address Claimant's MA and FAP application denials.

FAP Application

Clients must cooperate with the local Department office in obtaining verification for determining initial and ongoing eligibility. BAM 105 (November 2012), p. 5. For FAP cases, allow the client 10 calendar days to provide the verification you request. BAM 130 (May 2012), p. 5. Also for FAP cases, if the client indicates refusal to provide a verification or the time period given has elapsed and the client has not made a reasonable effort to provide it, then policy directs that a negative action be issued. BAM 130, p. 5.

In the present case, Claimant applied for FAP benefits on January 2, 2013. Exhibit 1. On January 8, 2013, the Department mailed Claimant a Verification Checklist requesting verification of renter's insurance and missing check stubs. Exhibit 1. The Department did not receive the requested verifications by the January 18, 2013, due date. Thus, on January 22, 2013, the Department sent Claimant a Notice of Case Action notifying her that her FAP benefits were denied effective February 1, 2013, ongoing, due to Claimant's failure to comply with the verification requirements. Exhibit 2.

At the hearing, the Department testified that it requested the documentation because (i) Claimant stated in the application that she has renter's insurance and (ii) she stopped working at her employment. See Exhibit 1. Claimant testified that she contacted "Lansing" and was informed that she did not have to turn in this verification. Moreover, subsequent to the FAP denial, the Department sent Claimant a Verification of Employment on January 25, 2013, to verify that her employment had ended. Exhibit 1. This document was due by February 4, 2013. Exhibit 1. Claimant ultimately submitted this document in March of 2013.

Based on the foregoing information and evidence, the Department improperly denied Claimant's FAP application effective February 1, 2013, ongoing. The Department sent Claimant a Notice of Case Action on January 22, 2013, notifying Claimant that her FAP benefits were denied effective February 1, 2013. However, the Department also sent a Verification of Employment to the Claimant subsequent to the proposed FAP denial date. Having requested additional verifications with a due date after the intended denial date should have resulted in the deletion of the proposed negative action. Thus, the

Department improperly denied Claimant's FAP application effective February 1, 2013, ongoing, in accordance with Department policy.

MA Application

For MA cases, the Department is to allow the client 10 calendar days to provide the verification requested. BAM 130 (May 2012), p. 5. Also for MA cases, if the client indicates refusal to provide a verification or the time period given has elapsed, then policy directs that a negative action be issued. BAM 130, p. 6.

Claimant also applied for MA benefits on January 2, 2013. Exhibit 1. On January 22, 2013, the Department sent Claimant a Notice of Case Action notifying her that her MA benefits were denied effective January 1, 2013, ongoing, due to Claimant's failure to comply with the verification requirements. Exhibit 2.

As previously stated in the FAP analysis, the Department sent a Verification of Employment which should have deleted the proposed negative action. Moreover, the Department requested verification of Claimant's renter's insurance in the January 8, 2013, verification request. The verification of renter's insurance is not required to process Claimant's MA application. Thus, the Department improperly denied Claimant's MA application effective January 1, 2013, ongoing, in accordance with Department policy.

Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated above and on the record, the Administrative Law Judge concludes that the Department improperly denied Claimant's FAP and MA applications.

DECISION AND ORDER


The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated above and 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. Reregister the January 2, 2013, FAP and MA application;
2. Begin reprocessing the application/recalculating the FAP budget for February 1, 2013, ongoing in accordance with Department policy;
3. Begin reprocessing the application/recalculating the MA budget for January 1, 2013, ongoing in accordance with Department policy;

4. Issue supplements to Claimant for any FAP benefits she was eligible to receive but did not from February 1, 2013, ongoing;
5. Issue supplements to Claimant for any MA benefits she was eligible to receive but did not from January 1, 2013, ongoing; and
6. Notify Claimant in writing of its FAP and MA application decision in accordance with Department policy.


Eric Feldman
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: May 30, 2013

Date Mailed: June 3, 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 affect the substantial rights of the claimant,
 - 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

2013-27334/EJF

Michigan Administrative Hearings
Reconsideration/Rehearing Request
P. O. Box 30639
Lansing, Michigan 48909-07322

EJF/pf

cc:

