

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

**IN THE MATTER OF:**



Reg. No.: 2013-31404  
Issue No.: 2018, 3008  
Case No.: [REDACTED]  
Hearing Date: March 21, 2013  
County: Clare County DHS

**ADMINISTRATIVE LAW JUDGE:** Corey A. Arendt

**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 March 21, 2013, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED] and [REDACTED]. Participants on behalf of Department of Human Services (Department) included [REDACTED] and [REDACTED].

**ISSUE**

Due to a failure to comply with the verification requirements, did the Department properly close Claimant's Medical Assistance (MA) case and deny the Claimant's FAP application?

**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. As of January 3, 2013, the Claimant was receiving MA.
2. On January 4, 2013, the Claimant applied for FAP benefits.
3. On January 14, 2013, the Department sent the Claimant a notice of case action. The notice indicated the Claimant's MA case was closing effective February 1, 2013.
4. On January 14, 2013, the Department sent the Claimant a verification checklist. The verification checklist requested the Claimant to submit verifications of his checking account by January 24, 2013.
5. On January 19, 2013, the Claimant returned the requested verifications.

6. On February 14, 2013, the Department sent the Claimant a notice of case action. The notice indicated the Claimant was being denied for MA G2 under 21 and FAP benefits.
7. On February 19, 2013, the Claimant requested a hearing.

### **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 FAP [formerly known as the Food Stamp (F S) 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 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.

Clients have the right to contest a Department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The Department will provide an administrative hearing to review the decision and determine the appropriateness of that decision. (BAM 600).

Department policy indicates that clients must cooperate with the local office in determining initial and ongoing eligibility with all programs. (BAM 105). This includes completion of the necessary forms. Clients who are able to but refuse to provide necessary information or take a required action are subject to penalties. (BAM 105).

The Department is to provide the Claimant with 10 calendar days to comply with the verification request and should send a negative action notice when the Claimant indicates a refusal to provide a verification, or the time period given has elapsed and the client HAS NOT MADE A REASONABLE EFFORT to provide it. (BAM 130).

The Department indicated the Claimant's FAP application and MA case were closed because the Claimant failed to return verifications of his savings account. However, the verification checklist sent to the Claimant never requested verifications of a savings account. Because there is no record or testimony regarding a communication made to the Claimant regarding the savings account, I find the Department's actions were improper.

Accordingly, the Department's actions in this matter are reversed.

**DECISION AND ORDER**

I find, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, the Department did not act properly.

Accordingly, the Department's 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. Initiate a redetermination as to the Claimant's eligibility for FAP and MA benefits beginning February 1, 2013 and issue retroactive benefits if otherwise eligible and qualified.



---

Corey A. Arendt  
Administrative Law Judge  
For Maura Corrigan, Director  
Department of Human Services

Date Signed: March 22, 2013

Date Mailed: March 25, 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 receipt 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:

2013-31404/CAA

- 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

CAA/las

cc:

