

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-32052
Issue Nos.: 2018, 3019
Case No.: [REDACTED]
Hearing Date: March 27, 2013
County: Oakland (63-03)

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 March 27, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

ISSUES

1. Due to a failure to comply with the verification requirements, did the Department properly deny Claimant's application benefits for Medical Assistance (MA)?
2. Due to a failure to comply with the verification requirements, did the Department properly close Claimant's case benefits for Food Assistance Program (FAP)?

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 applied for was receiving: FIP FAP MA SDA CDC.
3. Claimant was required to submit requested verification by December 20, 2012.

4. On November 1, 2012, the Department
 - denied Claimant's application for MA benefits.
 - closed Claimant's case.
 - reduced Claimant's benefits .

5. On February 1, 2013, the Department
 - denied Claimant's application.
 - closed Claimant's case for FAP benefits.
 - reduced Claimant's benefits .

6. On December 21, 2012, the Department sent notice of the
 - denial of Claimant's MA application and
 - closure of Claimant's FAP case.
 - reduction of Claimant's benefits.

7. On February 28, 2013, Claimant filed a hearing request, protesting the denial of her MA application, the closure of her FAP case, and inquired why she stopped receiving her \$14 in State SSI Payment (SSP) (based on quarterly SSP payments of \$42).

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 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.

Additionally, in a December 21, 2012, Notice of Case Action, the Department notified Claimant of the denial of her MA application and closure of her FAP case due to her failure to comply with the verification requirements. As a preliminary matter, Claimant also protested that she stopped receiving her quarterly SSP payments. At the hearing, Claimant acknowledged that she understood that due to her Supplemental Security Income (SSI) payments ending in November 2012, she would no longer receive her SSP payments; thus, no decision regarding this issue is required.

Clients must cooperate with the local DHS office in obtaining verification for determining initial and ongoing eligibility. BAM 105 (November 2012), p. 5. For MA and FAP cases, allow the client 10 calendar days to provide the verification you request. BAM 130 (May 2012), p. 5. 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. 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.

In the present case, Claimant applied for MA benefits on November 9, 2012, and did not indicate on her application that she had a checking account. The Department presented as evidence a State Online Query (SOLQ) Report (Exhibit 3) that indicated Claimant received Retirement, Survivors, and Disability Insurance (RSDI) benefits and that her RSDI benefits were directly deposited in her checking account. Therefore, the Department sent Claimant a Verification Checklist (VCL) (Exhibit 1) requiring that she provide verification of her checking account by submitting a current statement from a bank/financial institution or a DHS-20 Verification of Assets form by December 20, 2012. The Department never received the verification requirements by the due date.

Claimant testified that she does not have a checking account; however, she does have her RSDI benefits directly deposited into her bank's "Direct Express Card." Claimant testified that when she received the VCL, she was unclear whether her "Direct Express Card" was considered to be a checking account. Claimant testified that she never contacted the Department to request assistance and did not seek clarification regarding

the requested information. Due to the fact that Claimant did not request any assistance in obtaining the verification and failed to comply with verification requirements by the due date, the undersigned Administrative Law Judge finds that Claimant had not made a reasonable effort to provide the verifications. Thus, the Department did act in accordance with Department policy when it denied her MA application and closed her FAP case.


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 (i) properly denied Claimant's MA application and (ii) properly closed her FAP case.

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.


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

Date Signed: April 2, 2013

Date Mailed: April 2, 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,

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

EJF/pf

cc:

