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

IN THE MATTER OF:



Reg. No.: 2013-32056 Issue No.: 2003;1005;3008

Case No.: Hearing Date:

County:

March 27, 2013 Wayne (76)

ADMINISTRATIVE LAW JUDGE: Zainab Baydoun

HEARING DECISION

This matter is before the undersigned Administ rative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claim ant's request for a hearing. After due notice, a telephone hearing was held on Wednesday, March 27, 2013, fr om Detroit, Michigan. Claimant appeared and test ified. Participants on behalf of the Department of Human Services (Department) included Assistance Payment Worker.

ISSUES

Did the Department act in accordance with Department policy when it denied Claimant's application for Food Assistance Program (FAP) benefits?

Did the Department act in accordance with Department policy when it denied Claimant's application for Family Independence Program (FIP) benefits?

Did the Department act in accordance with Department policy when it denied Claimant's application for Medical Assistance (MA)?

FINDINGS OF FACT

The Administrative Law Judge, based on t he competent, material, and substantial evidence on the whole record, finds as material fact:

- 1. On Januar y 23, 2013, Claimant subm itted an a pplication for FAP and FIP benefits.
- On an unverified date, Claimant submitted an application for MA coverage for her son and daughter.

- 3. On January 24, 2013, the Department sent Claimant a Verification Check list (VCL) for which Claimant was required to submit requested verifications by February 4, 2013.(Exhibit 1)
- On February 5, 2013, the Depar tment sent Claimant a second VCL for which Claimant was required to submit requested verifications by February 15, 2013. (Exhibit 2)
- 5. On February 13, 2013, t he Department sent Claiman t a Notice of Case Action advising her that her applied ations for FAP benefits and FIP benefits were denied. (Exhibit 3)
- On February 19, 2013, t he Department sent Claimant a Notice of Case Action advising her that MA coverage for her son and daughter were denied. (Exhibit 4)
- 7. On February 25, 2013, Claimant filed a request for hearing disputing the Department's actions.

CONCLUSIONS OF LAW

Department policies are contained in the Br idges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT).

The Food Assistance Program (FAP) [formerly known as the Food Stamp (FS) program] was 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 Depar tment (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, et seq., and Mich Admin Code, R 400.3001 through R 400.3015.

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and W ork Opportunity Reconc iliation Act of 1996, Public Law 104-193, 42 USC 601, et seq. The Department (formerly k nown as the Family Independence Agency) administers FIP pursuant to MCL 400.10, et seq., and Mich Admin Code, R 400.3101 through R 400.3131. FI P replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

The Medic al Assistance (MA) program is est ablished by the Title XIX of the Socia I Security Act and is implemented by T itle 42 of the Code of F ederal Regulations. The Department, formerly known as the Family Independence Agency, administers the MA program pursuant to MCL 400.10. *et seq.*, and MCL 400.105.

Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (May 2012), p.1. To request verification of information, the Department sends a Verification of Checklist (VCL) which tells the client what verification is required, how to obtain it, and the due date. BAM 130, pp. 2-3. FAP and FIP clients are given 10 callendar days to provide the verifications requested by the Department. Verifications are considered to be timely if received by the date they are due. BAM 130 (December 2012), p.5. The Department sends a negative action notice when the client 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, p. 5.

In this case, the Department sent Claim ant a VCL on January 24, 2013 in connection with her J anuary 23, 2013 application for F AP and FIP benefits. Verification of Claimant's checking account information was due on February 4, 2013. (Exhibit 1). The Department sent Claimant a second VCL on February 5, 2013 s eeking verification and proof of Claimant's c hecking account information, vehicle ownership, and last 30 day s of check stubs or earnings statements for Claimant's son. These verifications were due to the Department on February 15, 2013. (Exhib it 2). At the hearing, it was establish ed that on February 4, 2013, Claimant submitted to the Department verification of her bank ebraury 11, 2013, she submitted to the Department account information and on F information. The Department sent Claimant verification of her vehicle ownership Notice of Case Action dated February 13, 2013, which adv ised Claimant that her applications for FAP and FIP b enefits was denied. (Exhibit 3). On February 25, 2013, Claimant submitted check stubs for herself and bank account information showing direct At the hearing, there was no evidence presented to deposited earnings for her son. establish that Claimant refused to provide ve rification, nor did the time period given to provide the verification elapse prior to t he February 13, 2013 Notice of Case Action being sent. Because the Notice of Case Action denying Claimant's applications was sent prior to February 15, 2013 when Claimant's verifications were due, the Department did not act in accordance with Department policy when it denied Claimant's applications for FAP and FIP benefits. Accordingly, the Department's actions are REVERSED.

Additionally, Claimant request ed a hearing to dispute the D epartment's denial of her application for MA coverage for her son and daughter. A Notice of Case Action dated February 19, 2013 denied MA c overage for Claimant's son and daughter for the period of April 1, 2013 ongoing. (Exhibit 4). BEM 132 provides that MA is available to a person who is under age 21 and meets the eligibility factors. The Department is to consider eligibility for all other MA categories when a person reaches age 21 o r otherwise becomes ineligible for this category. BEM 132 (October 2010), p. 1. The Department stated that Claimant's son was denied ongoing MA c overage because he is 21 year s old and is not eligible for another MA cat egory. A review of the Eligibility Summary provided at the hearin g confirms that Claimant's son re ceived full MA cover age under the Group 2-Persons Under 21 program until July 2012, when he reached the age of 21. (Exhibit 6, p.25). Therefore, the Department acted in accordance with Department policy when it denied MA coverage for Claimant's son who reached the age of 21 and was no longer eligible for MA. At the hearing, the Depar tment testified that MA coverage was denied for Claimant's daughter bec ause she currently receives Supp lemental Security Income (SSI) and had active MA coverage on a separate case. A review of the Eligibility Summary confirms that Claimant's daugh ter had active MA coverage under the Medicaid for SSI recipients proogram. See BEM 150 (June 2011). (Exhibit 6, p.19-20). Therefore, the Department acted in accordance with Department policy when it denied MA coverage for Claimant's daughter who was already receiving SSI based MA on a separate case. Accordingly, the Department's actions are AFFIRMED.

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 re—cord, finds that the Department acted in accordance with Department policy when it denied MA coverage for Claimant's son and daughter. Therefore, the Department's MA decisions are AFFIRMED.

It is further found that the Department did not act in accordance with Department policy when it denied Claimant 's applications for FAP and FI P benefits. The erefore, the Department's FAP and FIP decisions are REVERSED.

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

- Reregister Claimant's January 23, 2013 application for FAP and FIP benefits;
- 2. Begin reprocessing the FAP and FIP applications and recalculate the FAP and FIP budgets for January 23, 2013 ongoing in accordance wit h Department policy;
- 3. Begin the issuance of supplem ents for any FAP and FIP benefits that Claimant was entitled to receive but did not from January 23, 2013, ongoing, if otherwise eligible and qualified; and
- 4. Notify Claimant of its decision in writing in accordance with Department policy.

Administrative Law Judge for Maura Corrigan. Director

Department of Human Services

Date Signed: April 9, 2013

Date Mailed: April 9, 2013

NOTICE: Michigan Administrative Hearing Syst em (MAHS) may order a rehearing or reconsideration on either its own motion or at the request of a par ty within 30 days of the mailing date of this Dec ision and Order. MAHS will not or der a rehearing or reconsideration on the Department's mo tion where the final decis ion 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 ti mely 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 <u>MAY</u> 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

Re consideration/Rehearing Request P. O. Box 30639 Lansing, Michigan 48909-07322

ZB/cl

