

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-34462
Issue Nos.: 1021, 3019
Case No.: [REDACTED]
Hearing Date: April 10, 2013
County: Wayne (82-17)

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 April 10, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

ISSUE

Did the Department properly deny Claimant's application close Claimant's case for:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Family Independence Program (FIP)? | <input type="checkbox"/> Adult Medical Assistance (AMP)? |
| <input checked="" type="checkbox"/> Food Assistance Program (FAP)? | <input type="checkbox"/> State Disability Assistance (SDA)? |
| <input type="checkbox"/> Medical Assistance (MA)? | <input type="checkbox"/> Child Development and Care (CDC)? |

FINDINGS OF FACT

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

1. On February 11, 2013, the Department sent Claimant a Notice of Case Action notifying her of the closure of her FAP benefits effective March 1, 2013, ongoing.
2. On February 11, 2013, Claimant applied for FIP and FAP benefits.
3. On March 13, 2013, the Department sent Claimant a Verification of Employment packet due by March 25, 2013.
4. Claimant never returned the Verification of Employment by the due date.

5. On March 27, 2013, the Department sent Claimant a Notice of Case Action notifying her of the denial of her FIP benefits effective March 1, 2013, ongoing.
6. On March 7, 2013, Claimant filed a hearing request, protesting the Department's actions.

CONCLUSIONS OF LAW

Department policies are contained 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 Mich Admin Code 400.3101 through 400.3131. 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 1999 AC, Rule 400.3001 through Rule 400.3015.

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 of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105.

The Adult Medical Program (AMP) is established by 42 USC 1315, and is administered by the Department pursuant to MCL 400.10, *et seq.*

The State Disability Assistance (SDA) program, which provides financial assistance for disabled persons, is established by 2004 PA 344. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and Mich Admin Code 400.3151 through 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 1999 AC, Rule 400.5001 through Rule 400.5015.

On February 11, 2013, the Department sent Claimant a Notice of Case Action notifying her that her FAP benefits would close effective March 1, 2013, ongoing. Also, on March 27, 2013, the Department sent Claimant a Notice of Case Action notifying her that her FIP application was denied. At the hearing, the Department testified that Claimant applied for both FIP and FAP benefits on February 11, 2013, and the Department denied both applications.

FIP Application

On February 11, 2013, Claimant applied for FIP benefits. On March 27, 2013, the Department notified Claimant that her FIP application was denied because she did not have an eligible child and also failed to comply with the verification requirements.

A FIP certified group may be composed of only adults under specified circumstances. BEM 210 (January 2013), p. 10. Groups with no eligible child may consist of a pregnant woman and, if married, her husband. BEM 210, p. 10. Verification of pregnancy is required when FIP eligibility is based solely on the pregnancy. BEM 210, p. 11. The Department will tell the client what verification is required, how to obtain it, and the due date. BAM 130 (May 2012), p. 2.

At the hearing, Claimant testified that she did indicate on her February 11, 2013, application that she was pregnant. The Department also testified that it was aware that Claimant was pregnant at the time of application. Therefore, Claimant is eligible for FIP benefits because she is pregnant. BEM 210, p. 10. Thus, the Department did not act in accordance with Department policy when it denied Claimant's FIP application because she did not have an eligible child.

However, after Claimant filed her FIP application, the Department became aware that Claimant was employed and on March 13, 2013, sent her a Verification of Employment request. (Exhibit 2) The Department testified that because Claimant did not submit that information, she failed to comply with the verification requirements and, therefore, the Department denied her FIP application. The Department is required to collect information needed to determine countable income. BEM 500 (January 2013), p. 2; see BEM 501. For FIP benefits, the Department must determine the budgetable income and financial eligibility. BEM 518 (November 2012), p. 1. Moreover, Clients must report changes in circumstances that potentially affect eligibility or benefit amount including end of employment. BAM 105 (November 2012), p. 7. In this case, the Department established that Claimant never submitted the verification requirements for her employment. Additionally, Claimant admitted she did not return the verification and testified that she never reported that her employment stopped as required per policy. BAM 105, p. 7. Thus, the Department acted in accordance with Department policy when it denied Claimant's FIP application because she failed to comply with the verification requirements.

FAP Application

On February 11, 2013, Claimant applied for FAP benefits. Both the February 11, 2013, Notice of Case Action closing Claimant's FAP case and the Department's testimony

showed that Claimant was denied FAP benefits because she was not an eligible student.

For FAP benefits, a person enrolled in a post-secondary education program may be in student status and a person in student status must meet certain criteria in order to be eligible for FAP assistance. BEM 245 (January 2013), p. 1. A person is in student status if he/she is age 18 through 49 and enrolled half-time or more in a vocational, trade, business, or technical school that normally requires a high school diploma and an equivalency certificate or regular curriculum at a college or university that offers degree programs regardless of whether a diploma is required. BEM 245, pp. 2-3. A person in student status is eligible for FAP if receiving FIP benefits, or if employed for at least 20 hours per week and paid for such employment. BEM 245, p. 3. The schools determine the level of enrollment (such as full-time, half-time, or part-time), attendance compliance, and suspensions (such as reasons for/duration). BEM 245, p. 4. The Department will verify school enrollment, attendance and related criteria only if the client's statements are questionable. BEM 245, p. 6.

At the hearing, Claimant testified that she was a full-time college student. Thus, she was in student status. Claimant admitted she was not employed at the time of the February 11, 2013, application. Claimant testified that she did acquire employment at a later date; however, as discussed in the FIP analysis, Claimant failed to comply with the verification requirements to indicate that she was employed. As discussed above, Claimant was not eligible for FIP under the February 11, 2013, application. Therefore, Claimant did not meet either student status exception for FAP eligibility for receiving FIP benefits or working 20 hours per week. Thus, the Department acted in accordance with Department policy when it denied Claimant's FAP application because she was not an eligible student.


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 properly denied Claimant's FIP/FAP application and properly closed Claimant's 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 AMP FIP FAP MA SDA CDC decision is AFFIRMED REVERSED for the reasons stated above and on the record.


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

Date Signed: April 15, 2013

Date Mailed: April 15, 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
Michigan Administrative Hearings
Reconsideration/Rehearing Request
P. O. Box 30639
Lansing, Michigan 48909-07322

EJF/pf

cc:

