

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

IN THE MATTER OF:



Reg. No.: 201348775
Issue No.: 3008
Case No.: [REDACTED]
Hearing Date: June 20, 2013
County: Wayne DHS (15)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 June 20, 2013, from Detroit, Michigan. Participants included the above named claimant. [REDACTED] testified and appeared as Claimant's authorized hearing representative. Participants on behalf of Department of Human Services (DHS) included [REDACTED], Supervisor, and [REDACTED], Specialist.

ISSUE

The issue is whether DHS properly terminated Claimant's Food Assistance Program (FAP) benefit eligibility due to an alleged failure to verify employment income.

FINDINGS OF FACT

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

1. Claimant was an ongoing FAP benefit recipient.
2. On 3/14/13, DHS intended to mail Claimant a New Hire Client Notice concerning Claimant's employment income.
3. DHS did not mail the New Hire Client Notice to Claimant.
4. The due date to return the New Hire Client Notice was 3/25/13.
5. Claimant did not return the New Hire Client Notice to DHS.

6. On 3/27/13, DHS initiated termination of Claimant's FAP benefit eligibility, effective 5/2012, due to Claimant's failure to respond to the New Hire Client Notice request.
7. On 5/21/13, Claimant requested a hearing to dispute the FAP benefit termination.

CONCLUSIONS OF LAW

The Food Assistance Program (formerly known as the Food Stamp 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). DHS administers the FAP pursuant to Michigan Compiled Laws 400.10, *et seq.*, and Michigan Administrative Code R 400.3001-3015. DHS regulations are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

The present case concerns a FAP benefit termination. It was not disputed that the termination was based on a failure by Claimant to return a New Hire Client Notice.

The Michigan Department of Human Services (DHS) routinely matches recipient data with other agencies through automated computer data exchanges. BAM 807 (4/2012), p. 1. New Hires is a daily data exchange with Michigan Department of Treasury. *Id.* The New Hire database is established from W-4 tax records submitted to Michigan Department of Treasury by employers. *Id.* New Hires information is used to determine current income sources for active DHS clients. *Id.*

When a New Hire hit is made, DHS specialists are to contact the client immediately if the employment has not been previously reported. *Id.* The specialist is then to request verification by generating a DHS-4635, New Hire Notice, from Bridges. *Id.* When a DHS-4635 is requested, Bridges (the DHS database) automatically gives the client 10 calendar days to provide verification from the date the forms were requested. *Id.* If verifications are not returned by the 10th day, the case will close for a minimum of 30 days after appropriate actions are taken in Bridges, unless the client returns verifications. *Id.*

Claimant contended that she did not receive the New Hire Client Notice and that she could not return to DHS what she did not receive. DHS responded that the form was mailed by their database, Bridges, from a central location in Lansing, Michigan.

During the hearing, DHS checked the Bridges correspondence history. The correspondence history is the best method to verify which documents were mailed by the DHS system. DHS noted that the New Hire Client Notice was listed on the correspondence history as "locally" printed, however, DHS conceded that no local mailing occurred. If the form was mailed by Bridges, it is understood that the form would be listed as "centrally" printed. DHS speculated that the mere listing of the form within the correspondence history could mean that the document was centrally printed

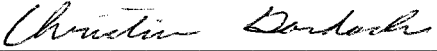
and that it changed to “locally” when the assigned specialist printed a copy of the document for the case file. The DHS testimony is plausible, but is purely speculative. Based on the presented evidence, it is found that DHS failed to establish mailing Claimant a New Hire Client Notice. Accordingly, the FAP benefit termination based on Claimant’s failure to return the New Hire Client Notice was improper.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS improperly terminated Claimant’s FAP benefit eligibility. It is ordered that DHS:

- (1) reinstate Claimant’s FAP benefit eligibility, effective 5/2013, subject to the finding that DHS failed to mail a New Hire Client Notice to Claimant; and
- (2) initiate supplement of any FAP benefits not issued as a result of the improper benefit termination.

The actions taken by DHS are REVERSED.


Christian Gardocki
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: 6/28/2013

Date Mailed: 6/28/2013

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 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 to:

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

CG/hw

cc:

