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

IN THE MATTER OF:



Reg. No.: 201346407

Issue No.: 1021, 2006, 3008

Case No.:

Hearing Date: June 12, 2013 County: SSPC-West

ADMINISTRATIVE LAW JUDGE: C. Adam Purnell

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 three-way telephone hearing was held on June 12, 2013 from Lansing, Michigan. Claimant participated via telephone and provided testimony. Participants on behalf of Department of Human Services (Department) included (Eligibility Specialist).

<u>ISSUES</u>

- i) Did the Department properly deny Claimant's application for Food Assistance Program (FAP) and Medical Assistance (MA)/Adult Medical Program (AMP) due to a failure to comply with the verification requirements?
- ii) Did the Department properly determine Claimant's eligibility for Family Independence Program (FIP) and/or State Disability Assistance (SDA) benefits?

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 FAP, MA and FIP benefits on April 1, 2013.
- On April 8, 2013, the Department mailed a Verification Checklist (DHS-2503) to Claimant at her former address, but not her current mailing address.
- 3. Claimant was required to submit requested verification by April 18, 2013.

- 4. On May 1, 2013, the Department mailed Claimant a Notice of Case Action (DHS-1605) which denied Claimant's application for FAP and MA for failure to submit verification in a timely manner. The Department also denied Claimant's FIP/SDA application due to ineligibility.
- 5. On May 8, 2013, Claimant filed a hearing request, protesting the denial.

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 AACS 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 AACS R 400.3001-3015

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. BAM 130. Verification is usually required upon application or redetermination and for a reported change affecting eligibility or benefit level. BAM 130. Verifications are considered timely if received by the date they are due. BAM 130.

For FAP, the department must allow a client 10 calendar days (or other time limit specified in policy) to provide the requested verification. BAM 130. For MA/AMP, the client has 10 days to provide requested verifications (unless policy states otherwise). BAM 130. For MA/AMP only, if the client cannot provide the verification despite a reasonable effort, the department worker may extend the time limit up to three times. BAM 130.

Should the client indicate a refusal to provide a verification or, conversely, if the time period given has elapsed and the client has not made a reasonable effort to provide it, the department may send the client a negative action notice. BAM 130.

The Department sometimes will utilize a verification checklist (VCL) or a DHS form telling clients what is needed to determine or redetermine eligibility. See Bridges Program Glossary (BPG) at page 47.

The department worker must tell the client what verification is required, how to obtain it, and the due date. BAM 130. Verification is not required when the client is clearly ineligible. BAM 130.

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 MA program is also referred to as Medicaid. BEM 105. The goal of the Medicaid program is to ensure that essential health care services are made available to those who otherwise could not afford them. BEM 105. The Medicaid program is comprised of several sub-programs or categories. One category is FIP recipients. BEM 105. Another category is SSI recipients. BEM 105. There are several other categories for persons not receiving FIP or SSI. BEM 105. However, the eligibility factors for these categories are based on (related to) the eligibility factors in either the FIP or SSI program. BEM 105. Therefore, these categories are referred to as either FIP-related or SSI-related. BEM 105.

To receive Medicaid under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. Families with dependent children, caretaker relatives of dependent children, persons under age 21 and pregnant, or recently pregnant women, receive Medicaid under FIP-related categories. For MA only, a client and the client's community spouse have the right to request a hearing on an initial asset assessment only if an application has actually been filed for the client. BAM 105. Families with dependent children, caretaker relatives of dependent children, persons under age 21 and pregnant, or recently pregnant, women receive MA under FIP-related categories. BEM 105.

Testimony and other evidence must be weighed and considered according to its reasonableness. *Gardiner v Courtright*, 165 Mich 54, 62; 130 NW 322 (1911); *Dep't of Community Health v Risch*, 274 Mich App 365, 372; 733 NW2d 403 (2007). The weight and credibility of this evidence is generally for the fact-finder to determine. *Dep't of Community Health*, 274 Mich App at 372; *People v Terry*, 224 Mich App 447, 452; 569 NW2d 641 (1997). Moreover, it is for the fact-finder to gauge the demeanor and veracity of the witnesses who appear before him, as best he is able. See, e.g., *Caldwell v Fox*, 394 Mich 401, 407; 231 NW2d 46 (1975); *Zeeland Farm Services, Inc v JBL Enterprises, Inc*, 219 Mich App 190, 195; 555 NW2d 733 (1996).

Here, there are two issues. The first issue concerns the Department's decision to deny Claimant's application for FAP and MA due to failure to provide timely verifications. The evidence showed that Claimant, on April 5, 2013, reported to the Department a change of address to Clinton Township, but the Department mailed the verification checklist to Claimant on April 8, 2013 at her previous address in the Department failed to properly serve Claimant with the verification checklist. Claimant was not afforded a fair and reasonable opportunity to comply with the verification

checklist as it was not sent to the proper address. Thus, the Department failed to act properly when it denied Claimant's FAP and MA cases for failure to provide requested verifications.

The second issue concerns the Department's determination that Claimant was not eligible for FIP or SDA based on the statements made in her assistance application. The record contains a copy of the relevant portion of Claimant's application seeking cash assistance benefits where she denies that she is blind or disabled and indicates that she does not have dependent children, is not a caretaker relative of a dependent child, is not under age 21 and pregnant nor was she recently pregnant. Claimant is obviously ineligible for FIP or SDA benefits.

This Administrative Law Judge has carefully considered and weighed the testimony and other evidence in the record. Based on the competent, material, and substantial evidence presented during the hearing, this Administrative Law Judge finds that the Department did not act properly when it denied Claimant's FAP and MA application for failure to provide verifications, but the Department did act properly when it found Claimant ineligible for FIP and SDA.

DECISION AND ORDER

The Department is **AFFIRMED-IN-PART AND REVERSED-IN-PART** for the reasons set forth below.

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, finds that the Department did not act properly when it denied Claimant's application for FAP and MA due to failure to provide requested verifications because the Department used an incorrect address for Claimant. However, the Department did act properly when it determined that Claimant was not eligible for FIP and/or SDA benefits because Claimant clearly failed to meet the eligibility criteria.

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

- 1. Initiate a reprocessing and recertification of Claimant's FAP and MA/AMP application back to April 1, 2013.
- 2. The Department shall confirm Claimant's proper mailing and residence address to forward verifications to Claimant in accordance with policy.
- 3. Only to the extent required by policy, the Department shall provide Claimant with any supplemental and/or retroactive assistance.

IT IS SO ORDERED.

/s/

C. Adam Purnell Administrative Law Judge For Maura Corrigan, Director Department of Human Services

Date Signed: June 14, 2013

Date Mailed: June 14, 2013

<u>NOTICE</u>: 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.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing 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.

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