

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:



Reg. No.: 201347999
Issue No.: 2006, 3008
Case No.: [REDACTED]
Hearing Date: June 19, 2013
County: Washtenaw

ADMINISTRATIVE LAW JUDGE: Gary F. Heisler

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; and MCL 400.37 upon claimant's request for a hearing. After due notice, a hearing was held on June 19, 2013. Claimant appeared and testified.

ISSUE

Did the Department of Human Services properly close Claimant's Transitional Medical Assistance (TMA) on May 1, 2013 for failure to return a New Hire Client Notice (DHS-4635) sent out on February 5, 2013?

Did the Department of Human Services properly close Claimant's Food Assistance Program (FAP) on April 1, 2013 for failure to provide earned income verification?

FINDINGS OF FACT

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

- (1) Claimant was an ongoing recipient of Medical Assistance (MA) and Food Assistance Program (FAP) benefits.
- (2) On January 2, 2013, Claimant began employment at the [REDACTED].
- (3) On February 5, 2013, Claimant was sent a New Hire Client Notice (DHS-4635) regarding employment at the [REDACTED]. The form was to be returned by February 15, 2013.
- (4) On February 12, 2013, Claimant was sent a Redetermination Form (DHS-1010) for her Medical Assistance (MA) program. The form was due back on March 1, 2012.

- (5) On March 1, 2013, Claimant returned the Redetermination Form (DHS-1010). On the form Claimant reported she was working at the [REDACTED] and provided information about her [REDACTED], expected hours and [REDACTED].
- (6) On March 20, 2013, Claimant was sent a Notice of Case Action (DHS-1605) which stated: Claimant and her [REDACTED] had Medical Assistance (MA) coverage from January 1 until February 28, 2013; Claimant and her [REDACTED] had Transitional Medical Assistance (TMA) coverage from April 1-30, 2013; Claimant's [REDACTED] had Medical Assistance (MA) from May 1, 2013 ongoing; and Claimant's TMA closed beginning May 1, 2013.
- (7) On March 27, 2013, Claimant was sent a Verification Checklist (DHS Form 3503) for her Food Assistance Program (FAP) requesting income verification from the [REDACTED] and rent verification. The verifications were due on April 8, 2013.
- (8) On April 22, 2013, Claimant was sent a Notice of Case Action (DHS-1605) which stated her Food Assistance Program (FAP) was closed beginning April 1, 2013.
- (9) On May 8, 2013, Claimant submitted a request for hearing.

CONCLUSIONS OF LAW

The Medical Assistance (MA) program is established by 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 (DHS or department) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

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 of Human Services (DHS or department) administers the FAP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3001-3015. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

The evidence submitted by the Department shows that Claimant was on Transitional Medical Assistance (TMA) from March 1, 2011 until February 1, 2012 and then again from May 1, 2012 until closure of her Medical Assistance (MA) on May 1, 2013. According to Department of Human Services Bridges Eligibility Manual (BEM) 111 Transitional MA (2012) page 1 "Families may receive TMA for up to 12 months when ineligibility for LIF relates to income from employment of a caretaker." The fact that Claimant and her [REDACTED] had been on TMA since May 2012 shows that either Claimant was employed at some point before she started working at the [REDACTED] and/or the Department has mismanaged her benefit programs with regard to earned income.

The evidence also shows that Claimant was receiving: Food Assistance Program (FAP) from March 15, 2012 until February 28, 2013; no benefits from March 1 -21, 2013; FAP benefits again from March 21-31, 2013; and FAP closed April 1, 2013. Claimant's FAP benefit from May 1, 2012 through September 30, 2012 was consistent. On October 1, 2012 a \$ fiscal year increase occurred and her benefits were consistent until January 31, 2013. No explanation was provided for the reason Claimant was issued a supplement in February 2013 or why her FAP benefits stopped on February 28, 2013.

In this case the Department representatives assert that their actions were correct because Claimant did not submit all the required employment information they wanted. Claimant testified that she submitted 2 paycheck stubs with the Redetermination Form (DHS-1010) and another single paycheck stub on April 9, 2013. The Department does not dispute receiving the single paycheck stub on April 9, 2013 but asserts they did not receive the 2 paycheck stubs with the Redetermination Form (DHS-1010). The Department did run a Food Assistance Program (FAP) financial eligibility budget for a certification period of March 21, 2013 – February 28, 2013. The financial eligibility budget included earned income matching the income information Claimant provided on the Redetermination Form (DHS-1010).

However, the Department was unprepared to explain/answer the questions raised about their management and processing of Claimant's benefit programs. The Department has an initial burden of going forward with evidence to show that their action is correct in accordance with law and policy. This hearing, like so many others, has expended time and money because the Department representatives do not accept their responsibility to show and explain the reasons for actions taken on a Claimant's benefit programs. Pointing out deficiencies in a Claimant's actions does not remove the Department's requirement to present evidence which shows the Department's actions are correct.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the Department has not presented sufficient evidence to show the closure of Claimant's Transitional Medical Assistance (TMA) on May 1, 2013 and Food Assistance Program (FAP) on April 1, 2013 were correct. These actions cannot be upheld.

It is ORDERED that the actions of the Department of Human Services, in this matter, are REVERSED.

It is further ORDERED that Claimant's Transitional Medical Assistance (TMA) and Food Assistance Program (FAP) be reinstated and processed in accordance with Department policy.

/s/
Gary F. Heisler
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: 6/24/13

Date Mailed: 6/25/13

NOTICE: Administrative Hearings 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. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 60 days of the filing of the original request.

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

GFH/tb

cc:

