

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

IN THE MATTER OF:

[REDACTED]
[REDACTED]
[REDACTED]

Reg. No.: 2013-51401
Issue No.: 3008
Case No.: [REDACTED]
Hearing Date: July 3, 2013
County: Wayne (15)

ADMINISTRATIVE LAW JUDGE: Zainab Baydoun

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 July 3, 2013, from Detroit, Michigan. Claimant appeared and testified. Participants on behalf of the Department of Human Services (Department) included [REDACTED] Eligibility Specialist.

ISSUE

Did the Department properly close Claimant's Food Assistance Program (FAP) case based on Claimant's failure to verify requested information?

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 recipient of FAP benefits.
2. On May 10, 2013, the Department sent Claimant a New Hire Client Notice seeking verification of her daughter's employment at Detroit Medical Center (DMC). (Exhibit 1).
3. The completed New Hire Client Notice together with any paystubs received were due to the Department by May 20, 2013. (Exhibit 1).
4. On May 22, 2013, the Department sent Claimant a Notice of Case Action informing her that her FAP case would be closing effective July 1, 2013 because she had failed to provide requested information. (Exhibit 2).

5. On June 3, 2013, Claimant filed a hearing request disputing the Department's actions.

CONCLUSIONS OF LAW

Department policies are contained in the Department of Human Services Bridges 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] 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 Mich Admin Code, R 400.3001 through R 400.3015.

Additionally, the Department routinely matches recipient employment data with the Michigan Department of Treasury (MDOT) through computer data exchange processes. New Hires is a daily exchange with MDOT and the information is used to determine current income sources for active Department clients. BAM 807 (April 2012), p.1. The New Hire database is established from W-4 tax records submitted to MDOT by employers. The New Hires process matches the Social Security number (SSN) for all active recipients to the database. If a SSN match is found on Bridges and the New Hires database, a New Hires match is created if there is no earned income reflected in Bridges. BAM 807, p.1. If the employment has not been previously reported, the Department is to request verification of the employment by sending the client a New Hire Notice. BAM 807, p.1. Clients are given 10 calendar days to provide verification from the date the forms were requested. If verifications are not returned by the 10th day, the case will close for a minimum of 30 days, unless the client returns the requested verifications. BAM 807, p. 1.

In this case, the Department sent Claimant a redetermination on April 15, 2013. Claimant did not include any employment information for her daughter on the redetermination. The Department testified that pursuant to the new hire database, it learned that Claimant's daughter, a member of her FAP group, had unreported employment and on May 10, 2013, the Department sent Claimant a New Hire Client Notice seeking verification of her daughter's employment at Detroit Medical Center. (Exhibit 1). Claimant was given until May 20, 2013 to provide the Department with the completed New Hire Client Notice and proof of any paystubs received by her daughter (Exhibit 1). The Department testified that it received Claimant's New Hire Client Notice on May 20, 2013; however, it was incomplete and there were no paystubs provided. Because the Department did not receive the completed form or any paystubs from Claimant by the due date, on May 22, 2013, the Department sent Claimant a Notice of Case Action informing her that her FAP case would close effective July 1, 2013 for failure to provide required verifications. (Exhibit 6).

Claimant testified that she did not complete all portions of the New Hire Client Notice because her daughter was not recently hired at [REDACTED] and had not been employed there since August 17, 2012. Claimant further testified that she had already submitted this information to the Department. Claimant stated that on March 6, 2013, the Department sent her a Wage Match Client Notice regarding her daughter's employment at [REDACTED] [REDACTED] which she timely completed and returned to the Department with the requested pay information. (Exhibit A). On the Wage Match, the employer verified that the period for her daughter's employment was June 25, 2012 through August 17, 2012, which is the same information Claimant included on the New Hire Client Notice. In addition, the employer signed and dated page two of the Wage Match and has [REDACTED] [REDACTED] listed as the business name. (Exhibit A). Claimant stated that because [REDACTED] is the same employer, just under a different name, she did not believe that she had to resubmit the information with the New Hire Client Notice because she had previously provided the Department with the required information.

The Department testified that it did not have any information regarding whether or not the two different names are for the same employer; however, the information provided the employer on the Wage Match supports Claimant's contention. Further, Claimant timely returned the New Hire Client Notice and informed the Department again that her daughter's employment was only for the period June 25, 2012 through August 17, 2012. (Exhibit 1). Therefore, Claimant established that her daughter was not a new hire at DMC when the New Hire Client Notice was sent and that she had previously provided the Department with the requested information. As discussed above, New Hires is a daily exchange with MDOT and the information is used to determine current income sources for active Department clients. BAM 807, p.1. Because Claimant's daughter had not been employed with DMC since August 17, 2012, the Department should not have sent Claimant a New Hire Client Notice on May 10, 2013 and therefore, did not act in accordance with Department policy when it closed Claimant's FAP case effective July 1, 2013 for her failure to provide requested verifications.


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 not act in accordance with Department policy when it closed Claimant's FAP case for failure to verify requested information. Accordingly, the Department's decision is REVERSED.

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

1. Reinstate Claimant's FAP case effective July 1, 2013 in accordance with department policy; and

2. Begin issuing supplements to Claimant for any FAP benefits that she was entitled to receive but did not from July 1, 2013, ongoing, if otherwise eligible and qualified.



Zainab Baydoun
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: July 10, 2013

Date Mailed: July 10, 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

ZB/cl

cc: 