

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

**IN THE MATTER OF:**



Reg. No.: 2013-55253  
Issue Nos.: 2000, 3008  
Case No.: [REDACTED]  
Hearing Date: July 29, 2013  
County: Wayne (82-57)

**ADMINISTRATIVE LAW JUDGE:** Alice C. Elkin

**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 29, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

**ISSUE**

Whether the Department properly denied Claimant's Medical Assistance (MA) application and closed his Food Assistance Program (FAP) case due to failure to verify.

**FINDINGS OF FACT**

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

1. In connection with an MA application, the Department sent Claimant a May 28, 2013, Verification Checklist (VCL) requesting disability documents and a bank account statement by June 7, 2013.
2. Claimant submitted medical documents but did not submit any bank statements.
3. On June 12, 2013, the Department sent Claimant a Notice of Case Action denying his MA application and closing his FAP case effective July 1, 2013, due to his failure to provide requested verifications.
4. On June 21, 2013, Claimant filed a request for hearing concerning the Department's action.

## **CONCLUSIONS OF LAW**

Department policies are found in the Department of Human Services Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), Reference Tables Manual (RFT), and State Emergency Relief Manual (ERM).

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.

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.

Claimant requested a hearing concerning the Department's denial of his MA application and closure of his FAP case.

### **Settlement of MA Matter**

At the hearing, Claimant testified that he had been recently approved for Social Security Income (SSI) and Retirement, Survivors and Disability Insurance (RSDI) benefits by the Social Security Administration (SSA). The law provides that disposition may be made of a contested case by stipulation or agreed settlement. MCL 24.278(2). Based on the information of Claimant's SSI eligibility, the Department agreed to do the following: activate Claimant's MA coverage based on his SSI receipt in accordance with Department policy upon confirmation from SSA of his SSI eligibility. As a result of this settlement, Claimant no longer wished to proceed with the hearing with respect to his MA issue. As such, it is unnecessary for this Administrative Law Judge to render a decision regarding the facts and issues with respect to the MA issue in this case.

### **FAP Case Closure**

Although the Department did not include the relevant Notice of Case Action in its hearing packet, at the hearing, the Department testified that it sent Claimant a June 12, 2013, Notice of Case Action notifying him of the closure of his FAP case effective July 1, 2013, due to his failure to verify assets.

In this case, the Department sent Claimant a May 28, 2013, VCL requesting verification of a checking account by June 7, 2013. The Department explained that, in processing Claimant's MA application, it requested verification of Claimant's checking account for

purposes of establishing Claimant's asset eligibility. For MA and FAP cases, the Department must verify the value of countable assets at application, redetermination and when a change is reported. BEM 400 (May 2013), p. 43. Although Claimant had not identified a checking account in his MA application, the Department testified that it had information on its system showing that Claimant had previously advised it that he had a checking account. Because Claimant filed an application for MA, the Department was required to request verification of the value of Claimant's checking account to determine his asset eligibility. BAM 130 (May 2012), p. 1. Because asset eligibility is a condition of FAP eligibility, it follows that the Department's request for asset verification in connection with his MA application could affect his FAP eligibility. See BEM 400, pp. 3-4.

In this case, the Department testified that it did not receive any verification of the checking account. Claimant's testimony failed to establish that he submitted verification of his checking account. Because the time period for Claimant to provide the checking account verification lapsed and he had not made any reasonable effort to provide it and there was no evidence that he provided the verification by July 1, 2013, the effective date of the closure of the FAP case, the Department acted in accordance with Department policy when it closed Claimant's FAP case for failure to return requested verifications. BAM 130, p. 5; BAM 220 (November 2012), p. 10.

### **DECISION AND ORDER**

With respect to Claimant's request for hearing concerning his FAP case, 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 acted in accordance with Department policy when it closed Claimant's FAP case.

Accordingly, the Department's FAP decision is AFFIRMED.

With respect to Claimant's request for hearing concerning his MA case, the Administrative Law Judge concludes that the Department and Claimant have come to a settlement regarding Claimant's request for a hearing.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITH RESPECT TO THE MA ISSUE:

1. Activate Claimant's MA coverage based on his SSI receipt in accordance with Department policy upon confirmation from SSA of his SSI eligibility;



**Alice C. Elkin**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: August 1, 2013

Date Mailed: August 1, 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

ACE/pf

cc:

