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

## IN THE MATTER OF:



Reg. No.: Issue No.: Case No.: Hearing Date: County: 2013-55519 2006; 3008; 4000

July 29, 2013 Wayne (15)

# ADMINISTRATIVE LAW JUDGE: Eric Feldman

# **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, and Claimant's mother and Authorized Hearing Representative (AHR), **Participants** on behalf of the Department of Human Services (Department) included **Participants** on behalf of the Department of Eligibility Specialist.

## ISSUE

Due to a failure to comply with the verification requirements, did the Department properly  $\boxtimes$  deny Claimant's application  $\square$  close Claimant's case  $\square$  reduce Claimant's benefits for:

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X	
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Family Independence Program (FIP)?

Food Assistance Program (FAP)?

State Disability Assistance (SDA)?

Child Development and Care (CDC)?

Medical Assistance (MA)?

# 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. On April 24, 2013, Claimant applied for FAP and MA benefits.
- 2. On April 30, 2013, the Department sent Claimant a Verification Checklist (VCL), which was due back by May 10, 2013. Exhibit 1.

- 3. Claimant did not submit the required verifications by the due date.
- 4. On May 14, 2013, the Department sent Claimant a Notice of Case Action notifying her that her MA application was denied effective April 1, 2013, ongoing, due to her failure to comply with the verification requirements. Exhibit 1.
- 5. On May 14, 2013, the Notice of Case Action also notified her that her FAP application was denied effective April 24, 2013, ongoing, due to her failure to comply with the verification requirements. Exhibit 1.
- 6. On June 3, 2013, Claimant submitted the income verification documents.
- 7. On June 24, 2013, Claimant filed a hearing request, disputing her FAP, MA, and SDA benefits. Exhibit 1.

# 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 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 Rule 400.3001-3015

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 (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105.

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and Mich Admin Rule 400.3151-400.3180.

As a preliminary matter, Claimant's request for hearing also addressed the SDA benefits. See Exhibit 1. However, it was discovered during the hearing that Claimant did not apply for SDA benefits on April 24, 2013. Claimant only applied for FAP and MA benefits. Thus it was determined then that Claimant is not disputing the SDA benefits. Based on the foregoing information, pursuant to Mich Admin Rule 400.906(1), Claimant's SDA hearing request is hereby DISMISSED.

In this case, on April 24, 2013, Claimant applied for FAP and MA benefits. On April 30, 2013, the Department sent Claimant a VCL, which was due back by May 10, 2013.

Exhibit 1. Claimant did not submit the required verification by the due date. On May 14, 2013, the Department sent Claimant a Notice of Case Action notifying her that her MA application was denied effective April 1, 2013, ongoing, due to her failure to comply with the verification requirements. Exhibit 1. On May 14, 2013, the Notice of Case Action also notified her that her FAP application was denied effective April 24, 2013, ongoing, due to her failure to comply with the verification requirements. Exhibit 1. The Department testified that it did not receive the income verification documents. Moreover, the Department testified that it received the income verification documents on June 3, 2013. However, the Department testified that it was received subsequent to the application denials.

Clients must cooperate with the local office in completing necessary forms for determining initial and ongoing eligibility. BAM 105 (March 2013), p. 5. The client must obtain required verification, but the Department must assist if they need and request help. BAM 130 (May 2012), p. 3. If neither the client nor the Department can obtain verification despite a reasonable effort, the Department uses the best available information. BAM 130, p. 3. If no evidence is available, the Department uses its best judgment. BAM 130, p. 3.

For FAP cases, the Department allows the client 10 calendar days to provide the verification the Department requests. BAM 130, p. 5. Also for FAP cases, if the client indicates refusal to provide a verification or the time period given has elapsed and the client has not made a reasonable effort to provide it, then policy directs that a negative action be issued. BAM 130, p. 5.

For MA cases, the Department allows the client 10 calendar days (or other time limit specified in policy) to provide the verification it requests. BAM 130, p. 5. If the client cannot provide the verification despite a reasonable effort, the Department extends the time limit up to three times. BAM 130, p. 5. Verifications are considered to be timely if received by the date they are due. BAM 130, p. 5. Also for MA cases, if the client indicates refusal to provide a verification or the time period given has elapsed, then policy directs that a negative action be issued. BAM 130, p. 6. Only adequate notice is required for an application denial. BAM 130, p. 6. Timely notice is required to reduce or terminate benefits. BAM 130, p. 6.

At the hearing, Claimant's AHR testified that they received the VCL request. Claimant's AHR testified, though, that she responded late to the VCL request due to her daughter's medical conditions. Claimant's AHR testified that she assisted her daughter to obtain the documents, but once she obtained the VCL there was not enough time to obtain the requested documents. Claimant's AHR testified that she contacted the Department regarding the VCL issue; however, the Department testified that it was after the denial of the applications. It should be noted that Claimant's AHR provided a doctor's letter regarding her daughter's medical condition; however, the letter is dated subsequent to the VCL request time period. See Exhibit A.

Based on the foregoing information and evidence, the Department properly denied Claimant's application for FAP and MA benefits. Claimant failed to submit the

requested verifications by the due date. Claimant's AHR testified that due to her daughter's medical conditions and Claimant's AHR's opportunity to review the VCL, there was inadequate time to submit the requested verifications. Nevertheless, Claimant failed to submit the requested verifications timely. BAM 130, pp. 5-6.

In summary, the Department properly denied Claimant's FAP application in accordance with Department policy effective April 24, 2013, ongoing, due to her failure to comply with the verification requirements. Exhibit 1. Also, the Department properly denied Claimant's MA application in accordance with Department policy effective April 1, 2013, ongoing, due to her failure to comply with the verification requirements.

### 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  $\square$  did act properly  $\square$  did not act properly.

Accordingly, the Department's FAP and MA decision is AFFIRMED for the reasons stated above and on the record.

Based on the above discussion, it is ALSO ORDERED that Claimant's SDA hearing request is hereby DISMISSED pursuant to Mich Admin Rule 400.906(1).

**Eric Feldman** Administrative Law Judge for Maura Corrigan, Director

Department of Human Services

Date Signed: August 6, 2013

Date Mailed: August 6, 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 <u>MAY</u> be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.

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- A reconsideration <u>MAY</u> 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

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