

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

IN THE MATTER OF:

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██████████
████████████████████

Reg. No.: 2013-59420
Issue No.: 2018;1018;3008
Case No.: ██████████
Hearing Date: August 22, 2013
County: Oakland (03)

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 August 22, 2013, from Detroit, Michigan. Claimant appeared and testified. Participants on behalf of the Department of Human Services (Department) included ██████████ Eligibility Specialist.

ISSUE

Did the Department properly process Claimant's application for Medical Assistance (MA); State Disability Assistance (SDA); and Food Assistance Program (FAP) benefits?

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 submitted an application for MA, SDA, and FAP on June 24, 2013.
2. On June 25, 2013, the Department sent Claimant a Notice of Case Action informing her that her SDA application had been denied on the basis that her income had exceeded the limit for the program. (Exhibit 3).
3. On June 25, 2013, the Department sent Claimant a Verification Checklist (VCL) for which Claimant was required to submit requested verifications by July 5, 2013. (Exhibit 5).

4. On July 9, 2013, the Department sent Claimant a Notice of Case Action informing her that her application for FAP had been denied based on a failure to verify requested information. (Exhibit 6).
5. On July 18, 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).

MA

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.

In this case, Claimant submitted an application for MA for herself and her granddaughter on June 24, 2013. The Department testified that during the intake interview, Claimant informed the Department that she wanted only to proceed with the MA application for her granddaughter and was no longer requesting MA benefits for herself. The Department presented a Case Comments-Summary in support of its testimony. (Exhibit 1). A client may withdraw an application any time before it is disposed on Bridges. BAM 110 (January 2013), p. 15. The Department treated Claimant's request as an application withdrawal and did not process Claimant's MA application. Additionally, Claimant's granddaughter had active and ongoing MA benefits at the time the application was submitted, which is confirmed by the eligibility summary. (Exhibit 4). Claimant testified that she does not remember whether or not she told the Department at the intake interview that she was no longer requesting MA benefits for herself. Claimant was informed that she could reapply for MA at any time. As such, the Department did act in accordance with Department policy when it processed Claimant's MA benefits.

SDA

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

In this case, Claimant submitted an application for SDA benefits on June 24, 2013. On June 25, 2013, the Department sent Claimant a Notice of Case Action informing her that

her application had been denied because her countable income exceeded the limit. (Exhibit 3). Claimant requested a hearing disputing the denial.

In order to be eligible for SDA benefits, an individual must be in financial need. BEM 515 (November 2012), p 1; BEM 518 (November 2012), p 1. Financial need exists when the individual's budgetable income is less than the applicable payment standard and the client passes the issuance deficit test. BEM 515, p 1; BEM 518, p 1. To perform the issuance deficit test, the Department subtracts budgetable income from the applicable payment standard for the benefit month. BEM 518, p 1. The SDA payment standard is \$200 for an individual living alone in an independent living arrangement. RFT 225 (October 2011), p 1.

At the hearing, the SDA Income Test was reviewed. (Exhibit 2). The Department determined that Claimant had unearned income in the amount of \$1,721.00 which came from Retirement, Survivors, Disability Insurance (RSDI). Claimant confirmed that she receives monthly RSDI benefits in this amount. Because Claimant's budgetable income exceeded the SDA payment standard, the Department did act in accordance with Department policy when it denied Claimant's SDA application due to her income exceeding the limit.

FAP

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, verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (May 2012), p.1. To request verification of information, the Department sends a VCL which tells the client what verification is required, how to obtain it, and the due date. BAM 130, pp. 2-3. FAP clients are given 10 calendar days to provide the verifications requested by the Department. Verifications are considered to be timely if received by the date they are due. BAM 130, p.5. The Department sends a negative action notice when the client indicates a refusal to provide a verification or the time period given has elapsed and the client has not made a reasonable effort to provide it. BAM 130, p. 5.

At the hearing, the Department testified that on June 25, 2013, the Department sent Claimant a VCL requesting that she submit verification of her wages, last 30 days of paystubs, verification of employment, RSDI benefits, home rent and checking account to the Department by July 5, 2013. (Exhibit 5). The Department testified that Claimant submitted the requested documents on July 8, 2013; however, only one paystub was submitted and the verification of employment was not signed by Claimant's employer. The Department testified that because Claimant did not provide the Department with 30 days of paystubs and because the verification of employment was not signed by her

employer, Claimant's FAP application was denied. On July 9, 2013, the Department sent Claimant a Notice of Case Action informing her of the application denial based on a failure to submit requested verifications. (Exhibit 6).

Claimant testified that she did not receive the VCL until she got home from work on Friday, July 5, 2013, which is the day the verifications were due. Claimant stated that on Monday, July 8, 2013, she submitted all of the requested verifications to the Department. Claimant did not indicate that she had any problems with receiving mail from the Department and confirmed that she did not turn in the required documents by the due date. Although Claimant made an effort to submit the verifications, they were turned in after the due date and they were incomplete. Therefore, the Department did act in accordance with Department policy when it denied Claimant's FAP application based on a failure to submit requested verifications.

Claimant was informed that should she submit the requested verifications that were not received by the Department within 60 days of her application date, the Department would reregister her FAP application and provide her with prorated FAP benefits, if otherwise eligible. BAM 115 (May 2013), pp.18-19.

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 act in accordance with Department policy when it processed Claimant's MA application and denied her SDA and FAP applications. Accordingly, the Department's MA, SDA and FAP decisions are AFFIRMED.



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

Date Signed: August 30, 2013

Date Mailed: August 30, 2013

NOTICE OF APPEAL: 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 or Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

A Request for Rehearing or Reconsideration may be granted when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The Department, AHR or the claimant must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date the hearing decision is mailed.

The written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings
Reconsideration/Rehearing Request
P.O. Box 30639
Lansing, Michigan 48909-07322

ZB/cl

cc: [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
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