

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

IN THE MATTER OF:

██████████
██████████
██████████

Reg. No.: 2014-10988
Issue No(s): 1002, 3002, 5000
Case No.: ██████████
Hearing Date: December 17, 2013
County: Saginaw

ADMINISTRATIVE LAW JUDGE: Colleen Lack

HEARING DECISION

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, a telephone hearing was held on December 17, 2013, from Lansing, Michigan. Participants on behalf of Claimant included ██████████ the Claimant. Participants on behalf of the Department of Human Services (Department) included Denise Gasper, Eligibility Specialist, and Marci Walker, Eligibility Specialist.

ISSUE

Did the Department properly deny the Claimant's Cash Assistance and Food Assistance Program (FAP) applications based on a failure to comply with verification requirements?

FINDINGS OF FACT

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

1. On July 1, 2013, the Claimant applied for Cash Assistance.
2. The Claimant stated she was only interested in Short Term Family Support (STFS).
3. On July 18, 2013, a New Hire Client Notice was sent to the Claimant with a due date of July 29, 2013, to provide verification regarding her son's employment with ██████████.
4. On July 29, 2013, a Notice of Case Action was issued to the Claimant stating, in part, the Cash Assistance was denied and FAP closed effective September 1, 2013, based on a failure to provide verifications.

5. On August 27, 2013, a New Hire Client Notice was sent to the Claimant with a due date of September 6, 2013, to provide verification regarding her son's employment with [REDACTED].
6. On September 5, 2013, the Claimant applied for FAP.
7. On September 6, 2013, verification regarding the Claimant's son's employment at [REDACTED] was submitted to the Department.
8. On September 25, 2013, a Notice of Case Action was issued to the Claimant stating FAP was denied because verifications were not provided.
9. On October 15, 2013, the Claimant filed a request for hearing contesting the Department's FAP and Case Assistance denials¹.

CONCLUSIONS OF LAW

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

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10 and 400.57a and Mich Admin Code, R 400.3101 to .3131.

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food Stamp Act of 1977, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 271.1 to 285.5. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10 and Mich Admin Code, R 400.3001 to .3015.

During the December 17, 2013 telephone hearing proceedings, the Department asserted that the Claimant does not have a right to a hearing regarding STFS based on BEM 218 policy. This ALJ dismissed the Cash assistance portion of the Claimant's hearing request on the record based on the Department's assertion that the BEM policy states there is no hearing right for STFS because it is not an entitlement. However, BEM 218 states "receipt of STFS is not an entitlement so the client has no right to a hearing when the case is processed for ongoing FIP instead of STFS." This policy does not state that there is never a right to a hearing regarding Cash Assistance when STFS

¹ On the October 15, 2013 request for hearing the Claimant also marked that she was contesting determination(s) regarding State Emergency Relief (SER). On the record during the December 17, 2013 telephone hearing proceedings, the Claimant stated there was no issue with SER and withdrew the SER portion of her hearing request. Accordingly, the SER portion of the Claimant's request for hearing is dismissed.

is considered. The policy only indicates that the determination to process for FIP instead of STFS is not a hearable issue. There is still a right to appeal the subsequent FIP determination itself. Upon further review of the BEM 218 policy, this ALJ vacates the dismissal of the Cash Assistance portion of the Claimant's hearing request. Further, part 2 of the Department's hearing summary and proposed exhibits is admitted as Exhibit B so that the denial of the Claimant's application for Cash Assistance can be reviewed.

A Claimant must cooperate with the local office in determining initial and ongoing eligibility, including completion of necessary forms, and must completely and truthfully answer all questions on forms and in interviews. BAM 105.

Verification is usually required upon application or redetermination and for a reported change affecting eligibility or benefit level. Verifications are considered timely if received by the date they are due. The Department must allow a client 10 calendar days (or other time limit specified in policy) to provide the requested verification. The Department worker must tell the client what verification is required, how to obtain it, and the due date. The client must obtain required verification, but the Department must assist if the client needs and requests help. If neither the client nor the Department can obtain verification despite a reasonable effort, the Department worker should use the best available information. If no evidence is available, the Department worker is to use their best judgment. The Department is to send a case action notice when the client indicates refusal to provide a verification, or the time period given has elapsed. BAM 130.

For FAP, if the client contacts the Department prior to the due date requesting an extension or assistance in obtaining verifications, the Department must assist them with the verifications but not grant an extension. The Department worker must explain to the client they will not be given an extension and their case will be denied once the due date is passed. Also, the Department worker shall explain their eligibility and it will be determined based on their compliance date if they return required verifications. BAM 130. The Department must re-register the FAP application if the client complies within 60 days of the application date. BAM 115 and BAM 130.

The New Hire database is established from W-4 tax records submitted to Michigan Department of Treasury by employers. Michigan employers are required to report all new employees to Treasury within 20 days of the date of hire. 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. The Department worker is to contact the client immediately if the employment has not been previously reported and request verification by generating a DHS-4635, New Hire Notice. When a DHS-4635 is requested, Bridges automatically gives the client 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 after appropriate actions are taken in Bridges, unless client returns verifications. The date the client reapplies

determines if the new hire verifications must be returned before processing the new application. BEM 807.

On July 1, 2013, the Claimant applied for Cash Assistance. The Claimant stated she was only interested in STFS. On July 18, 2013, a New Hire Client Notice was sent to the Claimant with a due date of July 29, 2013, to provide verification regarding her son's employment with [REDACTED]. Part 2 of the Hearing Summary indicates the New Hire paperwork was not returned, so STFS was denied and FIP was also then denied based on the failure to provide verification. On July 29, 2013, a Notice of Case Action was issued to the Claimant stating, in part, the Cash Assistance was denied and FAP would close effective September 1, 2013, based on a failure to provide verifications. The determination to deny the application for Case Assistance and the closure of the FAP case were appropriate because the Claimant failed to provide the requested New Hire verification by the due date.

On August 27, 2013, a New Hire Client Notice was sent to the Claimant with a due date of September 6, 2013, to provide verification regarding her son's employment with [REDACTED].

On September 5, 2013, the Claimant applied for FAP.

On September 6, 2013, verification regarding the Claimant's son's employment at [REDACTED] was submitted to the Department. This was requested on the July 18, 2013, New Hire Client Notice.

The Claimant testified that based on a conversation with the worker, she knew that a long list of verifications would be needed, and was waiting for a Verification Checklist to be sent to her. The Claimant planned to send in all the verifications together.

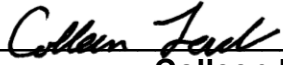
However, a new Verification Checklist was never issued to the Claimant because verification of the Claimant's son's employment with [REDACTED] was provided not by the September 6, 2013, due date from the August 27, 2013 New Hire Client Notice. Based on the BEM 807 policy, the September 5, 2013, FAP application was denied on September 25, 2013, because verifications were not provided from the recent New Hire Checklist.

While one pay stub from [REDACTED] was submitted on October 4, 2013, it was only for a two week pay period. The Department noted that this was not sufficient to resolve income for the past 30 days.

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department acted in accordance with Department policy when it denied the Claimant's Cash Assistance and FAP applications based on a failure to comply with verification requirements.

DECISION AND ORDER

Accordingly, the Department's decision is **AFFIRMED**.



Colleen Lack
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: 12/26/2013

Date Mailed: 12/26/2013

NOTICE OF APPEAL: 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.

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).

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

2014-10988/CL

CL/pw

cc: [REDACTED]
[REDACTED]
[REDACTED]
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