

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

**IN THE MATTER OF:**

██████████  
██████████  
████████████████████

Reg. No.: 2014-11990  
Issue No.: 1002; 2002; 3000; 5000  
Case No.: ██████████  
Hearing Date: December 11, 2013  
County: Wayne (19)

**ADMINISTRATIVE LAW JUDGE:** Susan C. Burke

**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 11, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included ██████████, ES.

**ISSUE**

Due to a failure to comply with the verification requirements, did the Department properly close Claimant's case for Family Independence Program (FIP) and 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. Claimant received FIP and MA benefits.
2. On October 18, 2013, the Department issued a Verification Checklist (VCL), requiring Claimant to submit a "Current statement from bank or financial institution." (Exhibit 4)
3. Claimant did not have a current statement from a bank or financial institution, as his bank account had closed on December 19, 2011. (Exhibits 2, 3)

4. On November 5, 2013, the Department issued a Notice of Case Action stating that Claimant's MA and FIP cases were closed, effective November 1, 2013 due to "Verification of Bank Account Saving (BEM 400) was not returned for Median Attallah." (Exhibit 5)
5. On November 12, 2013, Claimant requested a hearing regarding FIP, MA, Food Assistance Program (FAP) and State Emergency Relief (SER) benefits.
6. During the hearing, Claimant stated that he no longer requested a hearing regarding FAP and SER.

### 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 Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 42 USC 601, *et seq.* The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10, *et seq.*, and 1997 AACRS R 400.3101-3131. FIP replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

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.

Clients must cooperate with the local DHS office in obtaining verification for determining initial and ongoing eligibility. BAM 105; BAM 130. The client should be allowed 10 calendar days to provide the verification. BAM 130. If the client refuses to provide the information or has not made a reasonable effort within the specified time period, then policy directs that a negative action be issued. *Id.* "Tell the client what verification is required, how to obtain it, and the due date; see **Timeliness of Verifications** in this item. Use the DHS-3503, Verification Checklist (VCL), or for MA redeterminations, the DHS-1175, MA Determination Notice, to request verification." *Id.*

Do not deny or terminate assistance because an employer or other source refuses to verify income; see BAM 130, VERIFICATION AND COLLATERAL CONTACTS and BEM 702, CDC VERIFICATIONS. BAM 105

In the present case, on October 18, 2013, the Department issued a VCL requiring Claimant to submit a current statement from a bank or financial institution by October 28, 2013. Claimant did not have a current statement from a bank or financial institution, as his bank account had closed on December 19, 2011. On November 5, 2013, the Department issued a Notice of Case Action stating that Claimant's MA and FIP cases

were closed, effective November 1, 2013 due to "Verification of Bank Account Saving (BEM 400) was not returned for Median Attallah."

The Department representative at the hearing acknowledged that Claimant did not have a current bank account, but the representative argued that Claimant should have provided a letter from the bank stating that the account had closed. However, the VCL was not clear in stating that request. As soon as Claimant was aware of what was required, he provided a letter from the financial institution. It is not found that Claimant failed to cooperate with the Department, as the Department's directions were not clear.

It is noted that the Department argued at the hearing that Claimant failed to return school verification in a timely manner. However, the Department did not place that reason for closure in the Notice of Case Action. Even if the Department had placed the additional reason for closure in the Notice of Case Action, Claimant testified credibly that he submitted the information to school personnel in a timely manner, who were then tardy in submitting the information to the Department. It is found that Claimant cooperated with the Department, as he took all steps within his understanding and control to cooperate with the Department.

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 did not act in accordance with Department policy when it closed Claimant's FIP and MA cases.

In addition, pursuant to Claimant's request during the hearing, Claimant's hearing requests regarding FAP and SER are dismissed.

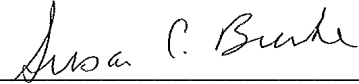
### **DECISION AND ORDER**

Accordingly, the Department's decision is REVERSED.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Reinstate Claimant's FIP and MA cases, effective November 1, 2013.
2. Issue FIP supplements, in accordance with Department policy.

It is further ORDERED that Claimant's requests for hearing regarding FAP and SER are DISMISSED pursuant to Claimant's request during the hearing.



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**Susan C. Burke**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: December 16, 2013

Date Mailed: December 16, 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:

2014-11990/SCB

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

SCB/tm

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