

**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.: 2014-13972
Issue No(s): 2002; 3002
Case No.: ██████████
Hearing Date: December 18, 2013
County: Oakland (02)

ADMINISTRATIVE LAW JUDGE: Eric Feldman

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 18, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant, and Claimant's witness, ██████████ ██████████ Service Coordinator. Participants on behalf of the Department of Human Services (Department or DHS) included ██████████ ██████████, Eligibility Specialist.

ISSUES

Did the Department properly deny Claimant's Medical Assistance (MA) application effective December 1, 2013, ongoing, due to her failure to comply with the verification requirements?

Did the Department properly deny Claimant's Food Assistance Program (FAP) application effective October 11, 2013, ongoing, due to her failure to comply with the 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 October 11, 2013, Claimant applied for FAP and MA benefits.
2. On October 21, 2013, the Department conducted a telephone interview with the Claimant.

3. On October 21, 2013, the Department sent Claimant a Verification Checklist (VCL), which requested verification of Claimant's checking and savings account and was due back by October 31, 2013. See Exhibit 1.
4. The Department only received verification of Claimant's checking account before the VCL due date.
5. On October 30, 2013, Claimant's witness e-mailed the Department verification of Claimant's checking and savings account. See Exhibit A.
6. On November 5, 2013, the Department sent Claimant a Notice of Case Action notifying her that her MA application was denied effective December 1, 2013, ongoing, due to her failure to provide verification of the savings account. See Exhibit 1.
7. On November 5, 2013, the Notice of Case Action also notified Claimant that her FAP application was denied effective October 11, 2013, ongoing, due to her failure to provide verification of the savings account. See Exhibit 1.
8. On November 12, 2013, Claimant filed a hearing request, protesting her MA and FAP denial. See Exhibit 1.

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 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.

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105.

Clients must cooperate with the local office in determining initial and ongoing eligibility. BAM 105 (October 2013), p. 6. This includes completion of necessary forms. BAM 105, p. 6.

For FAP cases, the Department allows the client 10 calendar days (or other time limit specified in policy) to provide the verifications it request. BAM 130 (July 2013), p. 5.

The Department sends a negative action notice when: 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. BAM 130, p. 6.

For MA cases, the Department allows the client 10 calendar days (or other time limit specified in policy) to provide the verifications it request. BAM 130, p. 6. The Department sends a case action notice when: the client indicates refusal to provide a verification, or the time period given has elapsed. BAM 130, p. 7.

In this case, on October 11, 2013, Claimant applied for FAP and MA benefits. On October 21, 2013, the Department conducted a telephone interview with the Claimant. On October 21, 2013, the Department sent Claimant a VCL, which requested verification of Claimant's checking and savings account and was due back by October 31, 2013. See Exhibit 1. The Department testified that it only received verification of Claimant's checking account before the VCL due date. However, the Department testified that it never received verification of Claimant's savings account. Thus, on November 5, 2013, the Department sent Claimant a Notice of Case Action notifying her that her MA application was denied effective December 1, 2013, ongoing, due to her failure to provide verification of the savings account. See Exhibit 1. On November 5, 2013, the Notice of Case Action also notified Claimant that her FAP application was denied effective October 11, 2013, ongoing, due to her failure to provide verification of the savings account. See Exhibit 1.

At the hearing, Claimant testified that she dropped off her savings and checking account statements at the local DHS office on or around October 23, 2013. Claimant testified that she also signed the log book and notated in the log book that she is dropping off her bank accounts. Then, Claimant testified that she received a phone call from the Department stating that it did not receive her savings account verification. Claimant then went to her witness to obtain assistance in sending the verifications. Claimant's witness testified that she attempted to fax the requested verifications, but was unsuccessful. Claimant's witness then testified that she e-mailed the requested verifications to Claimant's DHS caseworker on October 30, 2013. Claimant's witness provided as evidence the e-mail sent to the DHS caseworker on October 30, 2013, which contained the requested verifications. See Exhibit A. A review of the Claimant's exhibit indicates that the e-mail contained both the checking and savings account statements. See Exhibit A.

It should be noted that Claimant testified that her savings account was closed; however, she still provided a bank statement of her savings account indicating it was closed. The Department also testified that it never received the e-mail from Claimant's witness on October 30, 2013. Also, the Department caseworker confirmed her e-mail address was the same as the one listed on Claimant's exhibit. See Exhibit A.

Based on the foregoing information and evidence, the Department improperly denied Claimant's MA and FAP applications. First, Claimant provided credible testimony that she submitted both her checking and savings account verifications at her local DHS

office on or around October 23, 2013. Second, Claimant's witness provided credible evidence that she sent both verifications via e-mail to the Department on October 30, 2013, which is before the VCL due date. The Department testified that it never received the verifications via e-mail. However, Claimant's witness rebutted the Department's testimony by providing a copy of the e-mail correspondence. See Exhibit A. Moreover, for electronically transmitted verifications (fax, email or Mi Bridges document upload), the date of the transmission is the receipt date. BAM 130, pp. 6-7. According to BAM 130, Claimant had properly submitted her requested verifications via e-mail before the due date. BAM 130, pp. 6-7.

In summary, Claimant and her witness provided credible testimony and evidence that the requested verifications were provided before the VCL due date. BAM 130, pp. 5-7. Claimant cooperated with the local office in completing the necessary forms to determine her initial and ongoing FAP/MA eligibility. BAM 105, p. 6.

DECISION AND ORDER

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 (i) improperly denied Claimant's MA application effective December 1, 2013, ongoing; and (ii) improperly denied Claimant's FAP application effective October 11, 2013, ongoing.

Accordingly, the Department's FAP and MA decisions are 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. Reregister the FAP and MA application dated October 11, 2013;
2. Begin reprocessing the application/recalculating the FAP budget from October 11, 2013, ongoing, in accordance with Department policy;
3. Issue supplements to Claimant for any FAP benefits she was eligible to receive but did not from October 11, 2013, ongoing;
4. Begin reprocessing the application/recalculating the MA budget from December 1, 2013, ongoing, in accordance with Department policy;
5. Issue supplements to Claimant for any MA benefits she was eligible to receive but did not from December 1, 2013, ongoing; and

6. Notify Claimant in writing of its FAP and MA decisions in accordance with Department policy.



Eric Feldman
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: December 20, 2013

Date Mailed: December 20, 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

EJF/cl

cc:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
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