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

IN THE MATTER OF:



Reg. No.:20'Issue No(s).:300Case No.:Image: Case No.:Hearing Date:DeCounty:Oa

2014-14655 3002

December 19, 2013 Oakland (04)

ADMINISTRATIVE LAW JUDGE: Zainab Baydoun

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 19, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included **Example 1** Assistance Payment Supervisor.

<u>ISSUE</u>

Did the Department properly close Claimant's Food Assistance Program (FAP) case based on a failure to return requested verifications?

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 was an ongoing recipient of FAP benefits.
- 2. On October 30, 2013, the Department sent Claimant a New Hire Client Notice requesting that he complete and return the form by November 12, 2013. (Exhibit 1).
- 3. On November 14, 2013, the Department sent Claimant a Notice of Case Action informing him that effective December 1, 2013, his FAP case would be closing on the basis that he failed to verify or allow the Department to verify requested information. (Exhibit 2)

4. On November 21, 2013, Claimant submitted 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), 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.

Additionally, verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (July 2013), p.1. To request verification of information, the Department sends a Verification Checklist (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, pp.5-6. For FAP cases, 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. 6.

The Department routinely matches recipient employment data with the Michigan Department of Treasury (MDOT) through computer data exchange processes. New Hires is a daily exchange with MDOT and the information is used to determine current income sources for active Department clients. BAM 807 (July 2013), p.1. The New Hire database is established from W-4 tax records submitted to MDOT by employers. 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. BAM 807, p.1. If the employment has not been previously reported, the Department is to request verification of the employment by sending the client a New Hire Notice. BAM 807, p.1. Clients are given 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 the client returns the requested verifications. BAM 807, p. 2.

In this case, the Department testified that because it did not receive the completed New Hire Client Notice by the due date, it sent Claimant a Notice of Case Action, informing him of the Department's intent to close his FAP case effective At the hearing, Claimant testified that he completed and returned the New Hire Client Notice. The Department acknowledged that there were certain errors in the processing of Claimant's New Hire Client Notice and that Claimant's case worker did not do all that she was supposed to in this case.

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 because of the acknowledgment of the Department's error in the processing of Claimant's New Hire Client Notice, the Department did not act in accordance with Department policy when it closed Claimant's FAP case based on a failure to verify.

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 FAP case effective December 1, 2013; and
- 2. Issue supplements to Claimant for any FAP benefits that he was entitled to receive but did not from December 1, 2013, ongoing.

Zainab Kaydown Zainab Baydown

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

Date Signed:December 26, 2013Date Mailed:December 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).

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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/tm

CC:	