

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-11393
Issue Nos.: [REDACTED]
Case No.: [REDACTED]
Hearing Date: March 13, 2013
County: Wayne (17)

ADMINISTRATIVE LAW JUDGE: Jan Leventer

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 hearing was held on March 13, 2013, at Detroit, Michigan. Participants on behalf of Claimant included the Claimant, [REDACTED], and [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED] [REDACTED] Manager and [REDACTED] Assistance Payments Worker.

ISSUE

Did the Department properly deny Claimant's application close Claimant's case for:

- | | |
|--|---|
| <input type="checkbox"/> Family Independence Program (FIP)? | <input type="checkbox"/> Adult Medical Assistance (AMP)? |
| <input checked="" type="checkbox"/> Food Assistance Program (FAP)? | <input type="checkbox"/> State Disability Assistance (SDA)? |
| <input checked="" type="checkbox"/> Medical Assistance (MA)? | <input type="checkbox"/> Child Development and Care (CDC)? |

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 applied for benefits received benefits for:

- | | |
|--|---|
| <input type="checkbox"/> Family Independence Program (FIP). | <input type="checkbox"/> Adult Medical Assistance (AMP). |
| <input checked="" type="checkbox"/> Food Assistance Program (FAP). | <input type="checkbox"/> State Disability Assistance (SDA). |
| <input checked="" type="checkbox"/> Medical Assistance (MA). | <input type="checkbox"/> Child Development and Care (CDC). |

2. On October 1, 2012, the Department
 denied Claimant's application closed Claimant's case
due to a determination that she failed to provide the Department with information
about her assets.
3. On September 8, 2012, the Department sent
 Claimant Claimant's Authorized Representative (AR)
notice of the denial. closure.
4. On November 13, 2012, Claimant filed a hearing request, protesting the
 denial of the application. closure of the case.

CONCLUSIONS OF LAW

Department policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT).

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 1999 AC, Rule 400.3001 through Rule 400.3015.

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.

The additional findings of fact in this case are as follows. On April 21, 2009, Claimant applied for FAP and MA, and on her DHS application she listed as an asset a 1998 Ford Taurus. The Department approved Claimant for benefits.

In July, 2010, Claimant sold the 1998 Taurus. At some point afterwards, she acquired a 2005 Ford Taurus.

On or about April 1, 2012, Claimant submitted a Redetermination form to the Department, stating that she owned a 2005 Ford Taurus.

On April 30, 2012, the Department sent Claimant a Verification Checklist requesting "Vehicle Ownership" information. Dept Exh. 2, p. 1. In response, Claimant submitted ownership information regarding the 2005 Taurus.

On September 8, 2012 the Department issued a Notice of Case Action terminating Claimant's FAP and MA benefits for the stated reason, "You failed to verify or allow the Department to verify necessary information." Dept. Exh. 3, p. 2.

Claimant requested a hearing to dispute the Department's action regarding FAP and MA benefits. Shortly after commencement of the hearing, Claimant testified she now understood and accepted the actions taken by the Department with regard to the MA program. Claimant also testified she did not wish to proceed with a hearing about Medicaid. The Department agreed to the dismissal of Claimant's hearing request. Pursuant to Michigan Administrative Code Rule (MAC-R) 400.906(1), Claimant's hearing request is hereby DISMISSED with regard to the MA issue.

Looking next at the FAP termination, the Department's Bridges Administrative Manual (BAM) 130, "Verification and Collateral Contacts," requires the Department to seek verification of assets for the purpose of determining eligibility for benefits. The Department acted in accordance with policy in seeking to verify Claimant's assets. Department of Human Services Bridges Administrative Manual (BAM) 130 (2012).

However, having reviewed all of the evidence in this case, it is found and determined that the Department's request was vague and did not refer specifically to the vehicle or vehicles about which it sought information. The Verification Checklist states merely that "Vehicle Ownership" is required. The Verification Checklist fails to inform the Claimant that information about a car she owned in 2009, is requested. If the Department sought information about a car listed on an application three years previously, it must name the vehicle so that the customer knows which vehicle is in question.

The duty to inform the customer in terms that are specific and clear, is set forth in the Department's Bridges Administrative Manual 105, "Rights and Responsibilities." This policy states that the Department's responsibilities are to determine eligibility, provide benefits, and protect clients' rights. Department of Human Services Bridges Administrative Manual (BAM) 105 (2013). It is found and determined that the vague request for "vehicle information" was not proper notice to the Claimant that she was being asked for information about a vehicle she owned three years before. It is found and determined that this failure constitutes a failure to protect the client's rights in this case.

Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, the Administrative Law Judge concludes that the Department

properly denied Claimant's application improperly denied Claimant's application
 properly closed Claimant's case improperly closed Claimant's case

for: AMP FIP FAP MA SDA CDC.

Also, based on the above discussion, it is ORDERED that the MA issue is DISMISSED pursuant to MAC-R 400.906(1).

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 properly. did not act properly.

Accordingly, the Department's AMP FIP FAP MA SDA CDC decision is AFFIRMED REVERSED for the reasons stated on the record.

THE DEPARTMENT SHALL INITIATE WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER, THE FOLLOWING:

1. Reinstate Claimant's FAP benefits.
2. Provide retroactive and ongoing FAP benefits to Claimant at the benefit level to which she is entitled.
3. All steps shall be taken in accordance with Department policy and procedure.
4. IT IS FURTHER ORDERED that Medicaid is dismissed as an issue from this case pursuant to MAC-R 400.906(1).



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

Date Signed: March 14, 2013

Date Mailed: March 14, 2013

NOTICE: 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 was made, within 30 days of the receipt date of the rehearing decision.

Claimant may request a rehearing or reconsideration for the following reasons:

- A rehearing **MAY** be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.

- A reconsideration **MAY** be granted for any of the following reasons:
 - misapplication of manual policy or law in the hearing decision,
 - typographical errors, mathematical error, or other obvious errors in the hearing decision that effect the substantial rights of the claimant:
 - the failure of the ALJ to address other relevant issues in the hearing decision.

Request must be submitted through the local DHS office or directly to MAHS by mail at
Michigan Administrative Hearings
Reconsideration/Rehearing Request
P. O. Box 30639
Lansing, Michigan 48909-07322

JL/tm

cc:

