

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 201312078  
Issue No.: 2006  
Case No.: [REDACTED]  
Hearing Date: April 10, 2013  
County: Macomb 12

**ADMINISTRATIVE LAW JUDGE:** Susanne E. Harris

**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 telephone hearing was held on April 10, 2013, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of Department of Human Services (Department) included Eligibility Specialist (ES) [REDACTED].

**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 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 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. There is no DHS-1605, Notice of Case Action in evidence and based on the testimony of the ES, on October 23, 2012, the Department  denied Claimant's application  closed Claimant's case due to failure to submit verification of her assets.

3. There is no DHS-1605, Notice of Case Action in evidence and based on the testimony of the ES, on October 23, 2012 , the Department sent  
 Claimant       Claimant's Authorized Representative (AR)  
notice of the       denial.       closure.
4. On November 5, 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 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 1999 AC, R 400.3101 through Rule 400.3131. FIP replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

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, R 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 Adult Medical Program (AMP) is established by 42 USC 1315, and is administered by the Department pursuant to MCL 400.10, *et seq.*

The State Disability Assistance (SDA) program, which provides financial assistance for disabled persons, is established by 2004 PA 344. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and 2000 AACS, R 400.3151 through Rule 400.3180.

The Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, the Child Care and Development Block Grant of 1990, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The program is implemented by Title 45 of the Code of Federal Regulations, Parts 98 and 99. The Department provides services to adults and children pursuant to MCL 400.14(1) and 1999 AC, R 400.5001 through Rule 400.5015.

In this case, the Claimant testified that she did not understand why she had to apply for MA as she was never sent a DHS-1605, Notice of Case Action stating that her MA case had closed. The ES at the hearing indicated that she was not the Claimant's worker until recently and she knew nothing about the case history and could not say why or if the Claimant's MA case had closed previously. Also, only the first page of the DHS-3503, Verification Checklist is included in evidence. It does ask for a current statement from the Claimant's [REDACTED] due by October 12, 2012. On October 10, 2012, the Claimant submitted verification of income, upon which it was noted that the [REDACTED] stated it would be mailing verification of [REDACTED] from its office. The bank later refused to do so, as the Department's DHS-20, Verification of [REDACTED] form was not signed by the Claimant authorizing the [REDACTED] of the [REDACTED]. The form appears to have been sent directly from the Department to the [REDACTED] and therefore, the Claimant would not even have had a chance to sign it, authorizing the [REDACTED] of the [REDACTED].

Bridges Assistance Manual (BAM) 130 (2012) p. 5 provides that verifications are considered to be timely if received by the date they are due. BAM 130 p. 5 instructs Department workers to send a negative action notice when the client indicates refusal to provide a verification, or when the time period given has elapsed and the client has not made a reasonable effort to provide it. In this case, the Administrative Law Judge determines that the time period to submit the verification had lapsed but the Claimant never refused to submit the verification and had made a reasonable effort to provide as is evidenced by her report of what the [REDACTED] said when she contacted them. This is documented on the verification of income the Claimant provided. It was the Department that sent the DHS-20, Verification of Assets form to the bank and that form did not contain the Claimant's signature authorizing the [REDACTED] of information. The bank refused to complete the form because the Claimant had not signed it authorizing the [REDACTED] of information. BAM 130 p. 2 provides that, when obtaining verification from a collateral contact, the Department is responsible for obtaining the verification and if the contact requires the Claimant's signed release, to use the DHS-20, Verification of [REDACTED] and to specify on it what information is requested. In this case, the Department erred in sending the DHS-20, Verification of Assets form without the Claimant's signature authorizing the release of information. Therefore, the Administrative Law Judge concludes that when the Department took action to deny the Claimant's application, the Department was not acting in accordance with its policy.

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.

### **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.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Initiate action to redetermine the Claimant's eligibility for MA back to the original application date, and
2. Initiate action to issue the Claimant any supplements she may thereafter be due.

/s/  
Susanne E. Harris  
Administrative Law Judge  
For Maura Corrigan, Director  
Department of Human Services

Date Signed: 4/15/13

Date Mailed: 4/15/13

**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.

201312078/SEH

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

SEH/tb

cc:

