

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-12239
Issue Nos.: 2018, 3012
Case No.: [REDACTED]
Hearing Date: January 7, 2013
County: Wayne (82-17)

ADMINISTRATIVE LAW JUDGE: Jonathan W. Owens

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 January 7, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

ISSUES

1. Did the Department properly close Claimant's Medical Assistance (MA) case?
2. Did the Department properly process Claimant's application for Food Assistance Program (FAP) benefits?

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 FAP benefits and was receiving MA benefits:
2. On October 11, 2012, the Department sent a notice indicating pending closure of Claimant's MA case due to a failure to verify with an effective closure date of November 1, 2012.
3. On November 13, 2012, Claimant filed a hearing request, protesting the closure of her MA case and to prompt processing of the Claimant's FAP application dated May 10, 2012.

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, Rule 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, 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 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, Rule 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, Rule 400.5001 through Rule 400.5015.

In the instant case, Claimant requested a hearing to prompt processing of her FAP application dated May 10, 2012. Claimant applied for FAP benefits and the Department admitted the application had not been processed. The Department testified a verification of employment with actual earnings would be required since the application

was being processed months after the application. The Department testified verification had been sent to Claimant's employer and had not been returned. The Department sent verification to the employer on December 27, 2012, and followed up with the employer on the day of the hearing. The employer indicated they needed a new verification and the Department was issuing a new verification to the employer. Claimant testified she began working June 27, 2012, and ended her employment on or before November 2012.

Claimant applied for benefits on May 10, 2012. From the Claimant's un-rebutted testimony, she did not start employment until June 27, 2012, and, therefore, would not have received employment earnings until July 2012. Claimant, by policy, had ten days to report employment. Had the Department properly processed Claimant's application with the information they had in May 2012, Claimant's income would not have been a factor until August 2012. While the Department readily admitted the FAP application was not processed timely, the Department testified BRIDGES would not allow case processing without actual income being inputted for the months in question. While this Administrative Law Judge can sympathize with the dilemma the Department is now facing processing this application, this dilemma does not remove the Department's obligation to process cases according to policy. As stated above, Claimant's May 2012 application indicated no income; therefore, until she started employment and began receiving income from this employment, income would not be a factor in processing FAP benefits. In addition, Claimant had 10 days to report new employment. BAM 105, p. 7 (May 2012).

Therefore, based upon the above, the Department shall process Claimant's FAP application dated May 10, 2012, in accordance with policy and request verification of employment earnings for the months of August, September and October 2012. These verifications, however, should not hold up case processing of benefits for the months of May, June and July 2012, as those earnings would have no direct impact on benefits as the policy allowed 10 days to report employment changes.

Claimant also requested a hearing regarding the closure of her MA case for failure to return verifications. Claimant indicated she never received a request for any verification regarding her MA benefits. The Department failed to present any evidence to support a verification checklist or request had been sent to Claimant regarding her MA benefits. The Department must demonstrate they properly notified Claimant of the verifications required and the due date for them to be returned. Therefore, this Administrative Law Judge finds, with no evidence to the contrary, the Department's case action in closing Claimant's MA case is not supported. BAM 105, pp. 8-9 (September 2012).

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

1. Initiate processing of Claimant's FAP application date May 10, 2012;
2. Process FAP for the months of May, June and July 2012 immediately;
3. Secure verification of earnings for August, September and October 2012;
4. Reopen Claimant's MA case back to the date of closure;
5. Supplement Claimant for any loss in MA benefits otherwise determined eligible.



Jonathan W. Owens
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: January 15, 2013

Date Mailed: January 15, 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

2013-12239/JWO

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

JWO/pf

cc:

