

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

**IN THE MATTER OF:**



Reg. No.: 201317740  
Issue No.: 3008  
Case No.:   
Hearing Date: January 24, 2013  
County: Wayne (31)

**ADMINISTRATIVE LAW JUDGE:** Alice C. Elkin

**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 24, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of Department of Human Services (Department) included , Eligibility Specialist.

**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 type="checkbox"/> Medical Assistance (MA)?                  | <input type="checkbox"/> Child Development and Care (CDC)?  |
| <input type="checkbox"/> Direct Support Services (DSS)?            |   |

**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 type="checkbox"/> Medical Assistance (MA).                  | <input type="checkbox"/> Child Development and Care (CDC).  |
| <input type="checkbox"/> Direct Support Services (DSS).            |   |

2. On November 30, 2012, the Department  
 denied Claimant's application       closed Claimant's case  
due to failure to verify requested information.
3. On November 9, 2012, the Department sent  
 Claimant       Claimant's Authorized Representative (AR)  
notice of the       denial.       closure.
4. On December 7, 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 Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), and Department of Human Services 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 Mich Admin Code, R 400.3101 through R 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 Mich Admin Code, R 400.3001 through R 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 Mich Admin Code, R 400.3151 through R 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 Mich Admin Code, R 400.5001 through R 400.5015.

Direct Support Services (DSS) is administered by the Department pursuant to MCL 400.57a, et. seq., and Mich Admin Code R 400.3603.

Additionally, in connection with the Medicaid redetermination Claimant submitted on August 28, 2012, the Department became aware that Claimant had stopped employment with one employer, [REDACTED], on August 1, 2012, and started employment with another, [REDACTED] on August 10, 2012.

For FAP cases, the Department must verify income that decreases or stops. BEM 500 (November 1, 2012), p 9. When the Department becomes aware that a client is employed and the client has not previously reported the employment, the Department is required to send the client a request for verification. See BAM 807 (April 1, 2012). The Department does not verify starting income reported by the client unless the income information is unclear, inconsistent or in question. BEM 501 (July 1, 2012), p 7. In this case, Claimant reported her new employment with DES in her MA redetermination, but she did not provide any information concerning her anticipated income. Thus, the Department was required to verify Claimant's loss of employment at [REDACTED] and her wages at [REDACTED].

On October 24, 2012, the Department sent Claimant a Verification Checklist (VCL) requesting proof of loss of employment and verification of wages. When Claimant called the worker identified on the VCL, she was advised that that worker was no longer her worker. The worker at the hearing verified that Claimant's case had been referred back to her by that time. She also testified that on November 2, 2012, she sent Claimant another VCL. However, this VCL requested only verification of wages. Claimant responded on November 13, 2012, providing a written note that she had provided paystubs with her verification. The evidence showed that Claimant included two paystubs from her employment with [REDACTED] with the redetermination. Although Claimant had stated on her redetermination that she was paid weekly, the paystubs, with August 1, 2012 and August 15, 2012 pay dates, each cover two-week periods and therefore covered a thirty-day period. On November 9, 2012, the Department sent Claimant a Notice of Case Action informing her that her FAP case would close effective December 1, 2012, because she had failed to verify requested information.

The Department is required to explain client responsibilities in understandable terms. BAM 105 (November 1, 2012), p 8. In this case, Claimant was sent two VCLs from two different workers. The VCL from *her* worker only requested verification of wages. From Claimant's response and her testimony at the hearing, it is clear that Claimant believed

that the Department was requesting information concerning [REDACTED]. The evidence established that Claimant provided two biweekly paystubs for [REDACTED] with her redetermination. At the hearing, Claimant testified that she had worked for DES for only a single day and her response to the VCL shows that she did not believe the VCL requested information concerning her DES employment. While the Department contended that it had clearly advised Claimant that she was required to verify all income that started or ended, the evidence showed that the Department clarified Claimant's responsibilities in December 2012, in connection with Claimant's MA case, after her FAP case had closed effective December 1, 2012. The Department testified that it received all of the requested verifications from Windemere and DES on December 26, 2012 and January 22, 2012.

Because the Department did not clearly identify Claimant's responsibilities in this case, the Department did not act in accordance with Department policy when it closed Claimant's FAP case for failure to provide requested verifications.

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  DSS.

**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  DSS decision is  AFFIRMED  REVERSED for the reasons stated above and 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. Reinstate Claimant's FAP case as of December 1, 2012;
2. Begin recalculating Claimant's FAP benefits from December 1, 2012, ongoing, in accordance with Department policy;
3. Issue supplements to Claimant for any FAP benefits she was eligible to receive but did not from December 1, 2012, ongoing; and

4. Notify Claimant in writing of its decision in accordance with Department policy.



**Alice C. Elkin**  
Administrative Law Judge  
For Maura Corrigan, Director  
Department of Human Services

Date Signed: January 31, 2013

Date Mailed: January 31, 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

ACE/hw

cc:

