

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-32056
Issue No.: 2003;1005;3008
Case No.: [REDACTED]
Hearing Date: March 27, 2013
County: Wayne (76)

ADMINISTRATIVE LAW JUDGE: Zainab Baydoun

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 Wednesday, March 27, 2013, from Detroit, Michigan. Claimant appeared and testified. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Assistance Payment Worker.

ISSUES

Did the Department act in accordance with Department policy when it denied Claimant's application for Food Assistance Program (FAP) benefits?

Did the Department act in accordance with Department policy when it denied Claimant's application for Family Independence Program (FIP) benefits?

Did the Department act in accordance with Department policy when it denied Claimant's application for Medical Assistance (MA)?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. On January 23, 2013, Claimant submitted an application for FAP and FIP benefits.
2. On an unverified date, Claimant submitted an application for MA coverage for her son and daughter.

3. On January 24, 2013, the Department sent Claimant a Verification Check list (VCL) for which Claimant was required to submit requested verifications by February 4, 2013.(Exhibit 1)
4. On February 5, 2013, the Department sent Claimant a second VCL for which Claimant was required to submit requested verifications by February 15, 2013. (Exhibit 2)
5. On February 13, 2013, the Department sent Claimant a Notice of Case Action advising her that her applications for FAP benefits and FIP benefits were denied. (Exhibit 3)
6. On February 19, 2013, the Department sent Claimant a Notice of Case Action advising her that MA coverage for her son and daughter were denied. (Exhibit 4)
7. On February 25, 2013, Claimant filed a request for hearing disputing the Department's actions.

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] was 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 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 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. The Department, formerly known as the Family Independence Agency, administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105.

Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (May 2012), 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 and FIP 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 (December 2012), p.5. 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. 5.

In this case, the Department sent Claimant a VCL on January 24, 2013 in connection with her January 23, 2013 application for FAP and FIP benefits. Verification of Claimant's checking account information was due on February 4, 2013. (Exhibit 1). The Department sent Claimant a second VCL on February 5, 2013 seeking verification and proof of Claimant's checking account information, vehicle ownership, and last 30 days of check stubs or earnings statements for Claimant's son. These verifications were due to the Department on February 15, 2013. (Exhibit 2). At the hearing, it was established that on February 4, 2013, Claimant submitted to the Department verification of her bank account information and on February 11, 2013, she submitted to the Department verification of her vehicle ownership information. The Department sent Claimant a Notice of Case Action dated February 13, 2013, which advised Claimant that her applications for FAP and FIP benefits was denied. (Exhibit 3). On February 25, 2013, Claimant submitted check stubs for herself and bank account information showing direct deposited earnings for her son. At the hearing, there was no evidence presented to establish that Claimant refused to provide verification, nor did the time period given to provide the verification elapse prior to the February 13, 2013 Notice of Case Action being sent. Because the Notice of Case Action denying Claimant's applications was sent prior to February 15, 2013 when Claimant's verifications were due, the Department did not act in accordance with Department policy when it denied Claimant's applications for FAP and FIP benefits. Accordingly, the Department's actions are REVERSED.

Additionally, Claimant requested a hearing to dispute the Department's denial of her application for MA coverage for her son and daughter. A Notice of Case Action dated February 19, 2013 denied MA coverage for Claimant's son and daughter for the period of April 1, 2013 ongoing. (Exhibit 4). BEM 132 provides that MA is available to a person who is under age 21 and meets the eligibility factors. The Department is to consider eligibility for all other MA categories when a person reaches age 21 or otherwise becomes ineligible for this category. BEM 132 (October 2010), p. 1. The Department stated that Claimant's son was denied ongoing MA coverage because he is 21 years old and is not eligible for another MA category. A review of the Eligibility Summary provided at the hearing confirms that Claimant's son received full MA coverage under the Group 2-Persons Under 21 program until July 2012, when he reached the age of 21. (Exhibit 6, p.25). Therefore, the Department acted in accordance with Department policy when it denied MA coverage for Claimant's son who reached the age of 21 and was no longer eligible for MA. At the hearing, the Department testified that MA coverage was denied for Claimant's daughter because she currently receives Supplemental Security Income (SSI) and had active MA coverage on a separate case. A review of the Eligibility

Summary confirms that Claimant's daughter had active MA coverage under the Medicaid for SSI recipients program. See BEM 150 (June 2011). (Exhibit 6, p.19-20). Therefore, the Department acted in accordance with Department policy when it denied MA coverage for Claimant's daughter who was already receiving SSI based MA on a separate case. Accordingly, the Department's actions are AFFIRMED.

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 acted in accordance with Department policy when it denied MA coverage for Claimant's son and daughter. Therefore, the Department's MA decisions are AFFIRMED.

It is further found that the Department did not act in accordance with Department policy when it denied Claimant's applications for FAP and FIP benefits. Therefore, the Department's FAP and FIP decisions are REVERSED.

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

1. Reregister Claimant's January 23, 2013 application for FAP and FIP benefits;
2. Begin reprocessing the FAP and FIP applications and recalculate the FAP and FIP budgets for January 23, 2013 ongoing in accordance with Department policy;
3. Begin the issuance of supplements for any FAP and FIP benefits that Claimant was entitled to receive but did not from January 23, 2013, ongoing, if otherwise eligible and qualified; and
4. Notify Claimant of its decision in writing in accordance with Department policy.



Zainab Baydoun

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

Date Signed: April 9, 2013

Date Mailed: April 9, 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

ZB/cl

cc:

