

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013 32180
Issue No.: 3023, 1021
Case No.: [REDACTED]
Hearing Date: March 28, 2013
County: Wayne (19)

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

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 March 28, 2013, from Detroit, Michigan. Participants on behalf of Claimant included the Claimant and a witness, [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED] Path Manager, and [REDACTED] FIM.

ISSUE

Did the Department properly deny the Claimant's request that her stolen FIP and FAP benefits be replaced?

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 Sunday, February 17, 2013, the Claimant's purse was stolen and her bridge card was stolen, as it was in her purse.
2. On Monday, February 18, 2013, the Department offices were closed due to a federal holiday.

3. On Tuesday, February 19, 2013 at 4:00 pm the Claimant spoke with her caseworker and advised that her purse had been stolen and that she needed to get a replacement bridge card.
4. The Claimant at no time reported to Affiliated Computer Services, Interactive Voice Response Unit to report her Bridge card was stolen.
5. The Claimant lost both her FIP benefits, \$326.50, and FAP benefits, \$523.86, when her account was accessed and the funds were removed. Exhibit 3.
6. The Claimant's pin number was changed on February 19, 2013 at 11:23 pm and funds were withdrawn at 11:27 pm. Exhibit 3
7. A food stamp purchase of \$523.89 was made on February 20, 2013 at 1:25 am. Exhibit 3
8. The Claimant filed a police report on February 20, 2012 at 2:00 pm and noted that her EBT card was stolen either February 16, 2012 or early Sunday, February 17, 2013. Exhibit 1
9. The Claimant requested a hearing on February 27, 2013 because the Department would not reimburse her for stolen FAP and FIP benefits.

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 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 2000 AACRS, 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.

Additionally, at the hearing it was established that the Claimant did not immediately call the Affiliated Computer Services by calling the Interactive Voice Response Unit. At no time did she call to report her card was stolen and thus her benefits were stolen by the person who stole her purse and EBT card. The Claimant also did not change her PIN number after the card was stolen. Policy contained in BAM 401E is very clear and provides: If the Bridge card is lost, stolen or damaged, the client, ... **must** immediately notify Affiliated Computer Services by calling the Interactive Voice Response Unit. Any benefit loss that occurs prior to this notification is the client's responsibility and will **not** be replaced. BAM 401E pp4, (12-1-2011). Policy further provides that it is the client's responsibility to change their PIN if they believe the original PIN is thought to be compromised. BAM 401E pp5. Unfortunately, the Claimant was solely responsible for reporting her bridge card being stolen and changing her PIN number, not the Department. The Department provides information to EBT and bridge card recipients where to report stolen or lost cards and therefore it was Claimant's responsibility to retain the information in the event her EBT card was stolen.

Under these circumstances Department policy is clear and the Claimant is not entitled to reimbursement of stolen FIP and FAP benefits.

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 when it did not replace the Claimant's stolen FIP and FAP benefits due to Claimant's stolen EBT card.

did not act properly when .

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



Lynn M. Ferris
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: April 4, 2013

Date Mailed: April 4, 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 affect the substantial rights of the claimant:
 - 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

LMF/cl

cc:

