

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2013-34128  
Issue No.: 3008  
Case No.: [REDACTED]  
Hearing Date: April 8, 2013  
County: Oakland (63-04)

**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 April 8, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [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 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 March 1, 2013, the Department  
 denied Claimant's application       closed Claimant's case  
due to failure to submit a completed New Hire Client Notice.
3. On January 26, 2012, the Department sent Claimant notice of the closure of her case.
4. On March 6, 2013, 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 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.

Additionally, New Hires is the Department's daily data exchange with Michigan Department of Treasury that gives the Department access to new employees reported by employers to the Treasury. BAM 807 (April 1, 2012). The New Hires' process matches the Social Security Number (SSN) for all active benefit recipients to the database, and if a SSN match is found, a New Hires match is created if there is no earned income reflected in the Department's system for that recipient. BAM 807, p. 1. 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 through a New Hire Client Notice (DHS-4635). BAM 807, p. 1. The client has ten days to respond. BAM 807, p. 1. If the client fails to respond within ten days, the client's case will close for a minimum of thirty days after the Department takes appropriate actions in its system. BAM 807, p. 1. If the client applies for assistance within thirty days of case closure, she must return the new hire verifications before the application can be processed and the case is opened from the date that verifications are provided. BAM 807. If the client applies for assistance more than 30 days after the closure, if she is eligible for benefits, the case is reopened from the date of the new application. BAM 807.

In this case, the Department testified that it closed Claimant's FAP case effective March 1, 2013, because Claimant had failed to timely return a completed New Hire Client Notice sent to her on January 9, 2013, by the January 22, 2013, due date. However, the Department testified that Claimant's case was due to close on March 1, 2013, for failure to return the New Hire Client Notice and Claimant submitted the completed form on February 7, 2013, in which she indicated that she was not employed by the employer

listed on the form. The Department must delete the negative action when the client provides the information that caused the negative action before the negative action date. BAM 220 (November 1, 2012), p. 10. Because Claimant submitted the New Hire Client Notice before her FAP case closed for failure to provide the notice, the Department did not act in accordance with Department policy when it failed to process the Notice. Furthermore, because Claimant's case should not have closed, Claimant's case is not subject to the 30-day minimum FAP closure under BAM 807.

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 March 1, 2013;
2. Begin processing Claimant's New Hire Client Notice in accordance with Department policy;
3. Issue supplements to Claimant for any FAP benefits she was eligible to receive but did not from March 1, 2013, ongoing;
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: April 11, 2013

Date Mailed: April 11, 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/pf

cc:

