

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-57446
Issue Nos.: 1005, 2006, 3008
Case No.: [REDACTED]
Hearing Date: August 12, 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 August 12, 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].

ISSUE

Did the Department properly close Claimant's Family Independence Program (FIP), Food Assistance Program (FAP) and Medical Assistance (MA) cases?

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 was an ongoing recipient of FIP, FAP and MA benefits.
2. On March 29, 2013, Claimant's Michigan Works Agency (MWA) caseworker faxed the Department a completed Verification of Employment concerning Claimant's work-study program at [REDACTED].
3. On April 24, 2013, the Department sent Claimant a New Hire Client Notice requesting that she submit the completed form concerning her employment with [REDACTED] to the Department by May 6, 2013.

4. On June 24, 2013, Claimant's MWA caseworker scanned a copy of the second page of the New Hire Client Notice completed by Claimant and referencing self-employment income.
5. On June 26, 2013, the Department sent Claimant a Notice of Case Action closing her FIP, FAP and MA cases effective August 1, 2013, based on her failure to provide requested information.
6. July 9, 2013, Claimant filed a request for hearing disputing the Department's actions concerning her FIP, FAP, and MA cases.

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.

On June 18, 2013, Claimant filed a hearing request disputing the Department's denial of her FIP, FAP and MA cases. In her hearing request, Claimant also referenced her concerns regarding whether the Department had made adjustments to her Child Development and Care (CDC) case. At the hearing, Claimant testified that, subsequent to her hearing request, her CDC case had closed and her concern was the closure of her CDC case. Because the Department's action closing Claimant's CDC case took effect after the hearing request was filed, the closure of the CDC case was not considered at the hearing. See Mich Admin Code R 400.903(1); BAM 600 (July 2013), pp. 1-2. The hearing addressed the closure of Claimant's FIP, FAP and MA cases.

The Department testified that it sent Claimant the June 26, 2013, Notice of Case Action closing her FIP, FAP and MA cases because Claimant had failed to return a completed New Hire Client Notice sent to her on April 24, 2013, concerning her employment with [REDACTED]. The Department is required to send a client a request for verification through a New Hire Client Notice (DHS-4635) when it becomes aware that a client is employed **and this employment was not previously reported**. BAM 807 (April 2012), p. 1.

In this case, Claimant presented evidence that on March 29, 2013, she had her MWA caseworker scan a Verification of Employment (VOE) concerning her work-study program at Baker College to her Department worker, along with child care documentation. The Department worker testified that she did not receive the VOE but confirmed that the email address the document was sent to was correct and that she did receive on April 2, 2013, the child care documents Claimant referenced. Although the worker contended that Claimant could not have completed the [REDACTED] documentation because it was sent to her on April 24, 2013, the document Claimant provided concerning Baker College was a VOE completed by a [REDACTED] representative and signed on March 28, 2013, not the New Hire Client Notice sent to Claimant on April 24, 2013. Because Claimant established that she had reported her employment at [REDACTED], the Department did not act in accordance with Department policy when it required her to also complete a DHS-4635 New Hire Client Notice less than a month after she reported and verified her [REDACTED] employment.

Although the Department also testified that Claimant had failed to submit a completed New Hire Client Notice sent to her on June 19, 2013, concerning her employment at [REDACTED], that New Hire Client Notice was due on July 1, 2013, after the Notice of Case Action closing Claimant's FIP, FAP and MA cases was sent to Claimant on June 26, 2013, and, therefore, could not serve as the basis for closing Claimant's cases.

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 not act in accordance with Department policy when it closed Claimant's FIP, FAP and MA cases.

Accordingly, the Department's decision is REVERSED.

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 FIP, FAP and MA cases as of August 1, 2013;

2. Begin reprocessing Claimant's FIP, FAP and MA eligibility and benefits as of August 1, 2013, in accordance with Department policy, after requesting any further required verifications, if any, from Claimant;
3. Issue supplements to Claimant for any FIP and/or FAP benefits she was eligible to receive but did not from August 1, 2013, ongoing;
4. Provide Claimant with any MA coverage she is eligible to receive from August 1, 2013, ongoing; and
5. 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: August 16, 2013

Date Mailed: August 19, 2013

NOTICE OF APPEAL: 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 or Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

A Request for Rehearing or Reconsideration may be granted when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The Department, AHR or the claimant must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date the hearing decision is mailed.

The written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

2013-57446/ACE

If submitted by mail, the written request must be addressed as follows:

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

ACE/pf

cc:

