

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2014-15597  
Issue No(s): 3002  
Case No.: [REDACTED]  
Hearing Date: January 9, 2014  
County: DHS-MI-CAP/SSPC

**ADMINISTRATIVE LAW JUDGE:** Colleen Lack

**HEARING DECISION**

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, a three way telephone hearing was held on January 9, 2014, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED] the Claimant, and [REDACTED] mother. Participants on behalf of the Department of Human Services (Department) included [REDACTED] Hearing Coordinator.

**ISSUE**

Did the Department properly close the Claimant's Food Assistance Program (FAP) case based on a failure to comply with verification requirements?

**FINDINGS OF FACT**

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

1. The Claimant was a recipient of FAP benefits.
2. On October 11, 2013, a New Hire Client Notice was sent to the Claimant to be completed and returned by the October 21, 2013 due date.
3. On November 19, 2013, a Notice of Case Action was issued to the Claimant stating the FAP case would close effective January 1, 2014, because of a failure to provide verification.

4. On December 2, 2013, the Claimant filed a request for hearing contesting the Department's action<sup>1</sup>.

### **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), Department of Human Services Reference Tables Manual (RFT), and Department of Human Services Emergency Relief Manual (ERM).

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food Stamp Act of 1977, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 271.1 to 285.5. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10 and Mich Admin Code, R 400.3001 to .3015.

Additionally, a Claimant must cooperate with the local office in determining initial and ongoing eligibility, including completion of necessary forms, and must completely and truthfully answer all questions on forms and in interviews. A Claimant must also report changes in circumstance that potentially affect eligibility or benefit amount. Changes must be reported within 10 days of receiving the first payment reflecting the change. BAM 105.

The New Hire database is established from W-4 tax records submitted to Michigan Department of Treasury by employers. Michigan employers are required to report all new employees to Treasury within 20 days of the date of hire. The New Hires process matches the Social Security number (SSN) for all active recipients to the database. If a SSN match is found on Bridges and the New Hires database, a New Hires match is created if there is no earned income reflected in Bridges. The Department worker is to contact the client immediately if the employment has not been previously reported and request verification by generating a DHS-4635, New Hire Notice. When a DHS-4635 is requested, Bridges automatically gives the client 10 calendar days to provide verification from the date the forms were requested. If verifications are not returned by the 10th day, the case will close for a minimum of 30 days after appropriate actions are taken in Bridges, unless client returns verifications. The date the client reappears determines if the new hire verifications must be returned before processing the new application. BAM 807.

Verification is usually required upon application or redetermination and for a reported change affecting eligibility or benefit level. Verifications are considered timely if

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<sup>1</sup> On the request for hearing, the Claimant also marked that he was contesting the Department's action regarding Medicaid. The Claimant's testimony indicated that he made a mistake in marking Medicaid as well. However, the Medicaid portion of the Claimant's hearing request was scheduled for a separate hearing under Register number 2014-15424. Accordingly, there is no jurisdiction to address the Medicaid portion of the appeal in this hearing proceeding.

received by the date they are due. The Department must allow a client 10 calendar days (or other time limit specified in policy) to provide the requested verification. The Department worker must tell the client what verification is required, how to obtain it, and the due date. The client must obtain required verification, but the Department must assist if the client needs and requests help. If neither the client nor the Department can obtain verification despite a reasonable effort, the Department worker should use the best available information. If no evidence is available, the Department worker is to use their best judgment. The Department is to send a case action notice when the client indicates 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.

For FAP, if the client contacts the Department prior to the due date requesting an extension or assistance in obtaining verifications, the Department must assist them with the verifications but not grant an extension. The Department worker must explain to the client they will not be given an extension and their case will be denied once the due date is passed. Also, the Department worker shall explain their eligibility and it will be determined based on their compliance date if they return required verifications. BAM 130. The Department must re-register the FAP application if the client complies within 60 days of the application date. BAM 115 and BAM 130.

In this case, the Department issued a New Hire Client Notice to the Claimant on October 11, 2013, which had a due date to complete and return the form of October 21, 2013. (Exhibit A, pages 4-5) On November 19, 2013, a Notice of Case Action was issued to the Claimant stating the FAP case would close effective January 1, 2014 because of a failure to provide verification.

The Claimant confirmed that the address on the New Hire Notice was correct at that time. However, the Claimant did not recall ever receiving the New Hire Notice. The Claimant also confirmed that he worked for about a month around mid-September 2013 to mid-October 2013. This was around the time the New Hire Notice was issued. However, the Claimant testified he provided verification of that employment to the Department in January 2014, to his new worker.

The hearing coordinator confirmed that the Claimant re-applied for FAP in January 2014 and that application was still pending at the time of the January 9, 2014 telephone hearing.

There was no evidence that the Claimant reported his new employment to the Department when he began working around mid-September or that he responded to the New Hire Notice. Rather, the Claimant's testimony indicated he did not provide verification of this employment to the Department until January 2014. The Department's November 19, 2013, determination to close the Claimant's FAP case based on a failure to comply with verification requirements must be upheld based on the circumstances at that time. However, the Claimant should continue to cooperate with his new worker so that an eligibility decision can be made for the January 2014 FAP application.

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department acted in accordance with Department policy when it closed the Claimant's FAP case due to a failure to comply with verification requirements.

**DECISION AND ORDER**

Accordingly, the Department's decision is **AFFIRMED**.

/s/ \_\_\_\_\_  
Colleen Lack  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: January 10, 2014

Date Mailed: January 10, 2014

**NOTICE OF APPEAL:** 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.

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).

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

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

Michigan Administrative Hearings  
Reconsideration/Rehearing Request

201415597/CL

P.O. Box 30639  
Lansing, Michigan 48909-07322

CL/hj

cc:

