

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 201419662  
Issue No.: 2001; 3001  
Case No.: [REDACTED]  
Hearing Date: January 23, 2014  
County: Wayne (17)

**ADMINISTRATIVE LAW JUDGE:** Alice C. Elkin

**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 telephone hearing was held on January 23, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and [REDACTED], case manager at the Arab Community Center. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Eligibility Specialist.

**ISSUE**

Did the Department properly deny Claimant's application for Food Assistance Program (FAP) benefits and close his children's 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's children were ongoing recipients of MA benefits.
2. On [REDACTED], 2103, Claimant applied for FAP benefits.
3. On [REDACTED], 2013, the Department sent Claimant a Verification Checklist (VCL) requesting, among other things, "other self-employment."
4. On [REDACTED], 2013, Claimant submitted several requested documents.
5. On [REDACTED], 2013, the Department sent Claimant a Notice of Case Action closing Claimant's children's MA cases and denying Claimant's FAP application.

6. On [REDACTED], 2013, Claimant filed a request for hearing disputing the Department's actions.

### **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.

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105.

Additionally, the Department did not provide the relevant Notice of Case Action with its hearing packet. However, at the hearing, the Department testified that it denied Claimant's FAP application and closed his children's MA cases because Claimant had failed to verify his income.

In the [REDACTED], 2013 VCL sent to Claimant, the Department requested that Claimant provide, among other documents, proof of wages and "other self-employment." At the hearing, the Department acknowledged that Claimant had provided all the requested documents, including verification of wages, except for verification of other income.

At the hearing, Claimant testified that he did not have any self-employment income, and the Department acknowledged that Claimant did not identify any self-employment in his application. The Department testified that it was concerned because Claimant's expenses exceeded his reported income. See BAM 115 (July 2013), p. 17. However, in his telephone interview, Claimant explained to the Department that his brother assisted him with paying his bills. However, the VCL does not request verification of any donations or contributions from friends or family. See BEM 500 (July 2013), p. 10, 39 (providing that a donation or contribution from family or friends outside the group is unearned income). The Department is required to tell the client what verification is required and how to obtain it. BAM 130 (July 2013), p. 3.


By requesting verification of self-employment income when there was no evidence of such income and by failing to request verification of contributions/donations, the Department failed to act in accordance with Department policy when it closed Claimant's children's MA cases and denied his FAP application for failure to verify.

**DECISION AND ORDER**

Accordingly, the Department's decision is REVERSED.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Reinstate Claimant's children's MA cases from the date of closure;
2. Provide the children with MA coverage they are eligible to receive from the date of reinstatement ongoing;
3. Reregister and reprocess Claimant's [REDACTED], 2013, FAP application;
4. Issue supplements to Claimant for any FAP benefits he was eligible to receive but did not from [REDACTED], 2013, ongoing; and
5. Notify Claimant in writing of its FAP decision.

  
**Alice C. Elkin**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: January 29, 2014

Date Mailed: January 29, 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  
P.O. Box 30639  
Lansing, Michigan 48909-07322

ACE/tif

cc:

