

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

IN THE MATTER OF:



Reg. No.: 2014-24280
Issue No(s): 2002; 3002
Case No.: [REDACTED]
Hearing Date: February 24, 2014
County: SSPC-East (98)

ADMINISTRATIVE LAW JUDGE: Eric Feldman

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 February 24, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department or DHS) included [REDACTED], Department Manager, and [REDACTED], Assistant Payment Worker.

ISSUES

Did the Department properly deny Claimant's Medical Assistance (MA) benefits effective December 1, 2013, ongoing?

Did the Department properly close Claimant's Food Assistance Program (FAP) benefits effective January 1, 2014, ongoing?

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 December 10, 2013, Claimant applied for FAP and MA benefits.
2. On December 11, 2013, the Department conducted an expedited FAP telephone interview with the Claimant, in which she confirmed her group size of two (Claimant and daughter) and that she has a checking account and her daughter has a savings account.

3. Claimant was approved for expedited FAP benefits and on December 11, 2013, the Department sent her a Notice of Case Action notifying her she was approved for FAP benefits in the amount of \$134 for December 10, 2013 to December 31, 2013. See Exhibit 1.
4. On December 11, 2013, the Department sent Claimant a Verification Checklist (VCL) and Verification of Assets for Claimant's checking account and the daughter's savings account. See Exhibit 1. The bank verifications were due back by December 23, 2013. See Exhibit 1.
5. On December 20, 2013, the local DHS office received a Verification of Assets form; however, it was not completed. See Exhibit 1.
6. On or around December 24, 2013, the Department received from the bank the Verification of Assets regarding the daughter's savings account; however, it did not receive Claimant's checking account verification. See Exhibit 1.
7. On December 26, 2013, the Department sent Claimant a Notice of Case Action notifying her that her daughter's MA application was approved effective December 1, 2013, ongoing. See Exhibit 1.
8. On December 26, 2013, the Notice of Case Action also notified Claimant that her MA application was denied effective December 1, 2013, ongoing, due to her failure to provide verification of the checking account. See Exhibit 1.
9. On December 26, 2013, the Notice of Case Action also notified Claimant that her FAP benefits would close effective January 1, 2014, ongoing, due to her failure to provide verification of the checking account. See Exhibit 1.
10. On January 27, 2014, Claimant filed a hearing request, protesting the FAP and MA denial. See Exhibit 1.

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.

Clients must cooperate with the local office in determining initial and ongoing eligibility. BAM 105 (October 2013), p. 6. This includes completion of necessary forms. BAM 105, p. 6.

For FAP cases, the Department allows the client 10 calendar days (or other time limit specified in policy) to provide the verifications it requests. BAM 130 (July 2013), p. 5. The Department sends a negative 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, p. 6. Only adequate notice is required for an application denial. BAM 130, p. 6. Timely notice is required to reduce or terminate benefits. BAM 130, p. 6.

For MA cases, the Department allows the client 10 calendar days (or other time limit specified in policy) to provide the verifications it requests. BAM 130, p. 6. If the client cannot provide the verification despite a reasonable effort, extend the time limit up to three times. BAM 130, p. 6. The Department sends a case action notice when: the client indicates refusal to provide a verification, or the time period given has elapsed. BAM 130, p. 7

Regarding FAP expedited service, Food Assistance groups that did not provide all required verifications will not be issued benefits for subsequent months until the FAP group provides the waived verification or completes a redetermination. BAM 117 (October 2013), p. 5.

If waived verifications/actions are not met by the 10th day following the request (or by the extended date, if granted), allow the benefit period to expire at the end of the expedited month(s). BAM 117, p. 5.

In this case, on December 10, 2013, Claimant applied for FAP and MA benefits. On December 11, 2013, the Department conducted an expedited FAP telephone interview with the Claimant, in which she confirmed her group size of two (Claimant and daughter) and that she has a checking account and her daughter has a savings account. Subsequently, Claimant was approved for expedited FAP benefits and on December 11, 2013, the Department sent her a Notice of Case Action notifying her she was approved for FAP benefits in the amount of \$134 for December 10, 2013 to December 31, 2013. See Exhibit 1.

Additionally, on December 11, 2013, the Department sent Claimant a VCL and Verification of Assets for Claimant's checking account and the daughter's savings account. See Exhibit 1. The bank verifications were due back by December 23, 2013. See Exhibit 1. On December 20, 2013, Claimant testified that she brought the bank verification forms to her bank in order for them to be completed. Claimant testified that

her bank stated it would take couple of days for the forms to be completed and her bank would fax them to DHS. Additionally, on December 20, 2013, the local DHS office received a Verification of Assets form; however, it was not completed. See Exhibit 1. Claimant testified that she provided the form with a card from her bank to inform that Department that her bank will provide such documentation.

On or around December 24, 2013, the Department received from the bank a Verification of Assets regarding the daughter's savings account; however, it did not receive Claimant's checking account verification. See Exhibit 1. Claimant testified that she believed her bank had provided verification of both their accounts as she provided her bank with both verification forms on December 20, 2013.

On December 26, 2013, the Department sent Claimant a Notice of Case Action notifying her that her daughter's MA application was approved effective December 1, 2013, ongoing. See Exhibit 1. Claimant is not disputing the MA approval for her daughter. On December 26, 2013, the Notice of Case Action also notified Claimant that her MA application was denied effective December 1, 2013, ongoing, due to her failure to provide verification of the checking account. See Exhibit 1. On December 26, 2013, the Notice of Case Action also notified Claimant that her FAP benefits would close effective January 1, 2014, ongoing, due to her failure to provide verification of the checking account. See Exhibit 1.


It should be noted that the case comments in the Notice of Case Action also stated that Claimant's FAP benefits were denied due to failure to submit the savings account. See Exhibit 1. However, the Department did receive verification of the savings account. Also, another FAP denial reason was for a non-cooperation. See Exhibit 1. But, this denial reason was not addressed during the hearing.

Based on the foregoing information and evidence, the Department properly closed Claimant's FAP benefits effective January 1, 2014, ongoing, and also properly denied Claimant's MA application effective December 1, 2013, ongoing. It is persuasive that Claimant did provide the local DHS office on December 20, 2013, with some evidence that her bank will submit the completed verifications. See Exhibit 1. However, the Department provided credible evidence that it only received verification of her daughter's savings account. See Exhibit 1. The Department provided the fax that was received from the Claimant's bank and it only indicated her daughter's savings account was received. Even though Claimant provided evidence that she notified that Department ahead of time that the verification will be sent, she ultimately failed to submit the required documents by the due date. Clients must cooperate with the local office in determining initial and ongoing eligibility, which includes the completion of the necessary forms. BAM 105, p. 6. The Department only received Claimant's daughter savings account and it did not receive Claimant's checking account verification. Thus, the Department acted in accordance with Department policy when it closed Claimant's FAP benefits and denied her MA application. BAM 105, p. 6; BAM 117, p. 5; and BAM 130, pp. 6-7.

DECISION AND ORDER

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 (i) it properly denied Claimant's MA benefits effective December 1, 2013, ongoing; and (ii) properly closed Claimant's FAP benefits effective January 1, 2014, ongoing.

Accordingly, the Department's FAP and MA decision is AFFIRMED.


Eric Feldman
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: March 3, 2014

Date Mailed: March 3, 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:

2014-24280/EJF

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

EJF/tlf

cc:

