

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

**IN THE MATTER OF:**



Reg. No.: 201429904  
Issue No.: 1002, 3002  
Case No.: [REDACTED]  
Hearing Date: March 26, 2014  
County: Jackson County DHS

**ADMINISTRATIVE LAW JUDGE:** Kevin Scully

**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 March 26, 2014, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED] [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED] [REDACTED] [REDACTED] [REDACTED] and [REDACTED] [REDACTED].

**ISSUE**

Whether the Department of Human Services (Department) properly closed the Claimant's Family Independence Program (FIP) and Food Assistance Program (FAP) benefits?

**FINDINGS OF FACT**

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

1. The Claimant was an ongoing Family Independence Program (FIP) and Food Assistance Program (FAP) recipient.
2. On February 11, 2014, the Department sent the Claimant a Verification Checklist (DHS-3503) requesting that the Claimant provide verification of all countable income received by members of her household by February 21, 2014.
3. On February 24, 2014, the Department notified the Claimant that it would close her Family Independence Program (FIP) and Food Assistance Program (FAP) benefits as of March 1, 2014.
4. The Department received the Claimant's request for a hearing on February 27, 2014, protesting the closure of Family Independence Program (FIP) and Food Assistance Program (FAP) benefits.

## CONCLUSIONS OF LAW

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 PL 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10 and 400.57a and Mich Admin Code, R 400.3101 to .3131. 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 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.

Clients must cooperate with the local office in determining initial and ongoing eligibility. This includes the completion of necessary forms. Department of Human Services Bridges Assistance Manual (BAM) 105 (March 1, 2013), p 5. Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. Department of Human Services Bridges Assistance Manual (BAM) 130 (May 1, 2012), p 1. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. BAM 130. The Department uses documents, collateral contacts, or home calls to verify information. BAM 130. A collateral contact is a direct contact with a person, organization, or agency to verify information from the client. BAM 130. When documentation is not available, or clarification is needed, collateral contact may be necessary. BAM 130.

The Department will sent a negative action 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. BEM 130.

Before determining eligibility, the Department will give the client a reasonable opportunity to resolve any discrepancy between his statements and information from another source. BEM 130.

In this case, the Claimant was an ongoing Family Independence Program (FIP) and Food Assistance Program (FAP) recipient when the Department discovered that an unreported person may have been living at the Claimant's residence, and that this person is the father of the Claimant's children. The Department discovered that the father of the Claimant's children was living in the home from publicly available information available on the internet.

As the parent of a child under 18 years of age in the household, the father of the Claimant's children would be a mandatory member of the Food Assistance Program (FAP) benefit group. Department of Human Services Bridges Eligibility Manual (BEM) 212 (February 1, 2014), p 1.

The Claimant did not report that the father of her children was living in her household.

This Administrative Law Judge finds that a discrepancy existed between the Claimant's statements and information received from another source. This placed a duty on the Department to obtain additional information to resolve this discrepancy.

On February 11, 2014, the Department sent the Claimant a Verification Checklist (DHS-3503) requesting that the Claimant provide verification of income received by the father of her children by February 21, 2014. When the Claimant failed to provide this information in a timely manner, the Department notified the Claimant that it would close her Family Independence Program (FIP) and Food Assistance Program (FAP) benefits as of March 1, 2014.

The Claimant disputes that the father of her children resides in her home. The Claimant testified that she notified her caseworker that she did not know how she could obtain the income verification requested.

The Department's representative testified that the Claimant was instructed to obtain the income verification from the father of her children directly. This income is self-employment income, and the Department does not have the option of verifying this income through a wage match, as it might be able to if the income was from earned income. Furthermore, even if the self-employment income could be verified electronically, this information would not contain verification of deductible business expenses.

Testimony and other evidence must be weighed and considered according to its reasonableness. *Gardiner v Courtright*, 165 Mich 54, 62; 130 NW 322 (1911); *Dep't of Community Health v Risch*, 274 Mich App 365, 372; 733 NW2d 403 (2007). Moreover, the weight and credibility of this evidence is generally for the fact-finder to determine. *Dep't of Community Health*, 274 Mich App at 372; *People v Terry*, 224 Mich App 447, 452; 569 NW2d 641 (1997). In evaluating the credibility and weight to be given the testimony of a witness, the fact-finder may consider the demeanor of the witness, the reasonableness of the witness's testimony, and the interest, if any, the witness may have in the outcome of the matter. *People v Wade*, 303 Mich 303 (1942), cert den, 318 US 783 (1943).

Whether the Claimant has received income that was not reported to the Department, whether the Claimant properly reported the size and composition of her benefit group, whether the Claimant received benefits she was not entitled to, and whether the Claimant intentionally withheld information from the Department are all issues that are not relevant to the February 24, 2014, closure of benefits.

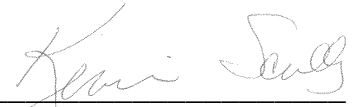
The only issue relevant here is whether the Department was acting in accordance with policy when it closed the Claimant's benefits.

Based on the evidence and testimony available during the hearing, this Administrative Law Judge finds that the Claimant failed to make a reasonable effort to provide the Department with the verification material that was necessary to determine her eligibility to receive benefits. Therefore, the Department was acting in accordance with policy when it terminated the Claimant's Family Independence Program (FIP) and Food Assistance Program (FAP) benefits.

**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 it terminated the Claimant's Family Independence Program (FIP) and Food Assistance Program (FAP) benefits.

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



Kevin Scully  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: March 27, 2014

Date Mailed: March 27, 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;

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- 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

KS/hj

cc:

