

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 14-000405  
Issue No.: 3002  
Case No.: [REDACTED]  
Hearing Date: May 1, 2014  
County: WAYNE-15 (GREYDALE)

**ADMINISTRATIVE LAW JUDGE:**

**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 May 1, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Jamie Johnson. Participants on behalf of the Department of Human Services (Department) included [REDACTED], APW and [REDACTED] ES.

**ISSUE**

Due to a failure to comply with the verification requirements, did the Department properly  deny Claimant's application  close Claimant's case  reduce Claimant's benefits for:

- |  |   |
|--|---|
| <input type="checkbox"/> Family Independence Program (FIP)?        | <input type="checkbox"/> State Disability Assistance (SDA)? |
| <input checked="" type="checkbox"/> Food Assistance Program (FAP)? | <input type="checkbox"/> Child Development and Care (CDC)?  |
| <input type="checkbox"/> Medical Assistance (MA)?                  |   |

**FINDINGS OF FACT**

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

1. Claimant  applied for  received:  
 FIP  FAP  MA  SDA  CDC  
benefits.
2. Claimant was required to submit requested verification by March 27, 2014.

3. On April 1, 2014, the Department  
 denied Claimant's application.  
 closed Claimant's case.  
 reduced Claimant's benefits.
4. On March 28, 2014, the Department sent Claimant/Claimant's Authorized Representative (AR) notice of its action.
5. On April 3, 2014, Claimant/Claimant's Authorized Hearing Representative (AHR) filed a hearing request, protesting the Department's action.

### **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 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 273. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001 to .3015.

In March, 2014, the Department discovered that claimant had unreported income in the prior year; this information was discovered during a redetermination.

The Department sent claimant verifications of employment to be filled out by the employers in question, with a due date of March 27, 2014. When these verifications were not returned, claimant's FAP case was closed effective April 1, 2014.

The Department testified that claimant had finished her redetermination; claimant's FAP case was not closed for failing to complete a redetermination. Furthermore, the Department testified that there was no dispute that claimant no longer had the jobs in question.

BAM 130 allows for the closure of a case for failing to return verifications if the Department is unable to verify an eligibility factor.

First, it should be noted that BAM 220, Case Actions, requires notice to be mailed at least 11 day before the case action is to take effect, for FAP case closures that are not the result of an incomplete redetermination. As the Department testified that claimant's case closure was not the result of failing to complete a redetermination, but rather, failing to return verifications, and as the notice of case action was sent out a mere 3 days before case closure, the Department erred when it closed claimant's FAP case without providing proper timely notice.

However, this assumes that claimant was required to return the verifications in question.

Verifications are required when a current eligibility factor is in dispute or in question. In the current case, the Department did not dispute as to whether claimant was currently employed at the jobs in question. Therefore, the eligibility factors for which they were requesting verification was not in dispute or in question. As such, while such verifications may be required to determine whether claimant was overpaid FAP benefits, they are not relevant to claimant's future FAP benefits. Thus, the Department erred when closing a case for requiring verification of an eligibility factor that was not in dispute with regards to current benefits.

This is not to say that the Department may not attempt to determine whether claimant was employed during the prior time period, and whether claimant was overpaid FAP benefits; however, such inquiries are best conducted by wage match verification or the like. These past jobs have no bearing on future benefits.

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 .
- did not act in accordance with Department policy when it closed claimant's FAP case for failing to provide verification of jobs no longer held.
- failed to satisfy its burden of showing that it acted in accordance with Department policy when it .

### **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. Reopen claimant's FAP benefits retroactive to the date of negative action, and issue any supplemental benefits to which the claimant is otherwise entitled.

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**ROBERT J. CHAVES**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: **5/19/2014**

Date Mailed: **5/19/2014**

RJC/tm

**NOTICE OF APPEAL:** A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides, or the circuit court in Ingham County, within 30 days of the receipt date.

A party may request a rehearing or reconsideration of this Hearing Decision from the Michigan Administrative Hearing System (MAHS) within 30 days of the mailing date of this Hearing Decision, or MAHS may order a rehearing or reconsideration on its own motion.

MAHS may grant a party's Request for Rehearing or Reconsideration 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 party requesting a rehearing or reconsideration 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 this Hearing Decision is mailed.

A written request may be faxed or mailed to MAHS. If submitted by fax, 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

cc:

