

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

**IN THE MATTER OF:**

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████████████████████  
████████████████████

Reg. No.: 14-000702  
Issue No.: 3002  
Case No.: ██████████  
Hearing Date: May 7, 2014  
County: MACOMB-DISTRICT 12

**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 telephone hearing was held on May 7, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department or DHS) included ██████████ ██████████ Hearings Facilitator.

**ISSUE**

Did the Department properly deny Claimant's Food Assistance Program (FAP) benefits effective March 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 January 21, 2014, Claimant applied for FAP benefits.
2. On an unspecified date, the Department sent Claimant a Verification Checklist (VCL).
3. On an unspecified date, Claimant submitted the necessary verifications.
4. On February 10, 2014, the Department sent Claimant in error a Notice of Case Action notifying her that her FAP benefits were denied effective March 1, 2014, ongoing, due to her failure to comply with the verification requirements. See Exhibit 2.

5. On April 1, 2014, Claimant filed a hearing request, protesting the FAP 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.

Clients must cooperate with the local office in determining initial and ongoing eligibility. BAM 105 (January 2014), p. 7. This includes completion of necessary forms. BAM 105, p. 7.

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 (January 2014), 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.

In this case, on January 21, 2014, Claimant applied for FAP benefits. A review of Claimant's Eligibility Summary indicated that she received FAP benefits for both January 2014 (prorated from date of application) and February 2014. See Exhibit 2. Subsequent to Claimant's application, on an unspecified date, the Department sent Claimant a VCL. However, on February 10, 2014, the Department sent Claimant a Notice of Case Action notifying her that her FAP benefits were denied effective March 1, 2014, ongoing, due to her failure to comply with the verification requirements. See Exhibit 2. On April 1, 2014, Claimant filed a hearing request, protesting the FAP denial. See Exhibit 1.

At the hearing, it was discovered that several subsequent actions occurred after Claimant's hearing request and the notice of denial. Claimant held a pre-hearing conference with the Department on April 8, 2014. The Department testified that Claimant did submit the necessary verifications. See Hearing Summary, Exhibit 1. However, the Department testified that upon reprocessing Claimant's FAP eligibility on April 8, 2014, it determined that she was still not eligible due to excess income. The Department testified that another Notice of Case Action was not generated for the denial based on excess income because her benefits were already in closure status.

Upon certification of eligibility results, the Department automatically notifies the client in writing of positive and negative actions by generating the appropriate notice of case action. BAM 220 (January 2014), p. 1. A notice of case action must specify the action(s) being taken by the department; the reason(s) for the action; the specific manual item which cites the legal base for an action or the regulation or law itself; and other factors listed in BAM 220. See BAM 220, p. 2.

If the group is ineligible or refuses to cooperate in the application process, the Department must certify the denial within the standard of promptness and also send a DHS-1605, Client Notice, or the DHS-1150, Application Eligibility Notice, with the denial reason(s). BAM 115 (January 2014), p. 22. If approved, the Department sends the DHS-1605 detailing the approval at certification of program opening. BAM 115, p. 23.

Based on the foregoing information and evidence, the Department improperly denied Claimant's FAP benefits effective March 1, 2014, ongoing.

First, the evidence presented that Claimant submitted the necessary verifications. Therefore, the Department improperly sent Claimant the Notice of Case Action dated February 10, 2014, in which it informed her that the FAP benefits were denied effective March 1, 2014, ongoing, due to her failure to comply with the verification requirements. See Exhibit 2. Claimant properly submitted the necessary verification and the Department denied it in error based on failure to provide verifications effective March 1, 2014.

Second, the Department failed to reinstate Claimant's benefits and send a new Notice of Case Action informing her that her FAP benefits were denied effective March 1, 2014 due to excess income. On April 8, 2014, the Department appeared to reprocess Claimant's FAP eligibility and determined it was still denied effective March 1, 2014, ongoing, due to excess income. See Eligibility Summary, Exhibit 2. Nevertheless, policy indicates that a Notice of Case Action must be sent to the Claimant notifying her of her application denial and/or closure of benefits. See BAM 220, pp. 1-2 and BAM 115, pp. 22-23. The Department failed to send Claimant a proper denial notice in regards to excess income. As such, the Department will reinstate FAP benefits and determine her eligibility effective March 1, 2014, ongoing, in accordance with Department policy.


### **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 did not act in accordance with Department policy when it improperly denied Claimant's FAP benefits effective March 1, 2014, ongoing.

Accordingly, the Department's FAP 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 FAP benefits effective March 1, 2014, ongoing;
2. Begin recalculating the FAP budget for March 1, 2014, ongoing, in accordance with Department policy;
3. Issue supplements to Claimant for any FAP benefits she was eligible to receive but did not from March 1, 2014, ongoing; and
4. Notify Claimant in writing of its FAP decision in accordance with Department policy.

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

Date Signed: **5/9/2014**

Date Mailed: **5/9/2014**

EJF / cl

cc: [REDACTED]  
[REDACTED]  
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