

**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.: 14-002948
Issue No.: 3002
Case No.: ██████████
Hearing Date: June 18, 2014
County: SSPC-West

ADMINISTRATIVE LAW JUDGE: C. Adam Purnell

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 June 18, 2014, from Lansing, Michigan. Claimant personally participated via telephone and provided testimony. Participants on behalf of the Department of Human Services (Department) included ██████████ (Hearing Facilitator).

ISSUE

Did the Department properly deny Claimant's application for Food Assistance Program (FAP) benefits due to a failure to comply with the verification requirements?

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 FAP benefits on April 8, 2014.
2. On April 22, 2014, the Department mailed Claimant a Verification Checklist (DHS-3503) which requested that Claimant provide proof of the following: property taxes, home insurance, savings account, wages (Claimant's spouse), vehicle ownership (Claimant's spouse) and checking account. Claimant was required to submit requested verification by May 2, 2014.
3. On May 7, 2014, the Department mailed Claimant a Notice of Case Action (DHS-1605) which denied Claimant's application for FAP due to Claimant's failure to provide verification of the following: Claimant's savings and checking account, wages and vehicle ownership for Claimant's spouse.

4. On May 16, 2014, the Department received Claimant's request for hearing 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.

Clients who are able but refuse to provide necessary information or take a required action are subject to penalties. BAM 105, p 18 (4-1-2014). Clients must take actions within their ability to obtain verifications. BAM 130 (4-1-2014) and BEM 702 (1-1-2014). Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. BAM 130, p 1 (4-1-2014). Verification is usually required upon application or redetermination and for a reported change affecting eligibility or benefit level. BAM 130, p 1.

Verifications are considered timely if received by the date they are due. BAM 130, p 6. For FAP, the department must allow a client 10 calendar days (or other time limit specified in policy) to provide the requested verification. BAM 130, p 6. Should the client indicate a refusal to provide a verification or, conversely, if the time period given has elapsed and the client has not made a reasonable effort to provide it, the department may send the client a negative action notice. BAM 130, p 6.

The Department worker must tell the client what verification is required, how to obtain it, and the due date. BAM 130, p 6. The Department sometimes will utilize a verification checklist (VCL) or a DHS form telling clients what is needed to determine or redetermine eligibility. See Bridges Program Glossary (BPG) at page 47.

Here, the Department asserts that it properly denied Claimant's application for food assistance because she failed to provide verification of her savings and checking account and her spouse's wage information. The Department further indicates that the copies of the bank statements Claimant provided were unacceptable as they did not include a name. The Department contends that Claimant wrote her name on the statements. The Department takes the position that bank statements are insufficient verification unless the bank or credit institution provides the name of the account holder on the statement. Claimant, on the other hand, contends that the Department previously accepted bank statements in place of check stubs to show income. Alternatively, Claimant states that her husband works for the [REDACTED] and does not receive

check stubs as his payments are transferred electronically. However, Claimant did bring a written copy of her husband's wage statement at the hearing. With regard to the missing savings and checking account statements, Claimant submits that she advised her caseworker that the bank statements did not include the name of the account holder and that her caseworker advised her to simply write the name on the statement.

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). 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). Moreover, it is for the fact-finder to gauge the demeanor and veracity of the witnesses who appear before him, as best he is able. See, e.g., *Caldwell v Fox*, 394 Mich 401, 407; 231 NW2d 46 (1975); *Zeeland Farm Services, Inc v JBL Enterprises, Inc*, 219 Mich App 190, 195; 555 NW2d 733 (1996).

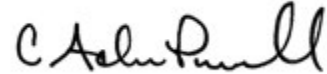
This Administrative Law Judge has carefully considered and weighed the testimony and other evidence in the record. With regard to the income verification issue, Claimant's testimony that the Department previously accepted bank statements rather than check stubs for verification of income is not persuasive. Policy does not permit bank statements to be used as an acceptable verification source for wages, salaries, tips and commissions. See BEM 501 (1-1-2014), p 11. Past violation of policy (even if it did occur) does not permit future violations of policy. In addition, the verification checklist only requested that Claimant provide proof in the form of one of the following items: a DHS-20 (Verification of Assets), employer statement, DHS-38 (Verification of Employment), or a DHS-3569 (Agricultural of Income Verification). Neither the verification checklist nor applicable policy allows for Claimant to provide bank statements to show income. Because Claimant failed to properly provide income verification to the Department, this Administrative Law Judge does not need to address whether Claimant can handwrite her name on a bank statement in order to meet the verification requirements for account statements.

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 denied her April 8, 2014 FAP application for failure to properly provide verification of her spouse's income.

DECISION AND ORDER

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

IT IS SO ORDERED.



C. Adam Purnell
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: **6/20/2014**

Date Mailed: **6/20/2014**

CAP/jf

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: [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]