

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

**IN THE MATTER OF:**



Reg. No.: 14-001417  
Issue No.: 1000;3002  
Case No.: [REDACTED]  
Hearing Date: MAY 27, 2014  
County: WAYNE-DISTRICT 76

**ADMINISTRATIVE LAW JUDGE: Zainab Baydoun**

**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 27, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Assistance Payment Worker.

**ISSUE**

Did the Department properly process Claimant's Family Independence Program (FIP) benefits and close her Food Assistance Program (FAP) case?

**FINDINGS OF FACT**

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

1. Claimant was an ongoing recipient of FAP benefits.
2. On November 4, 2013, the Department sent Claimant a New Hire Client Notice requesting that she complete and return the form by November 14, 2013. (Exhibit 1)
3. On April 4, 2014, the Department sent Claimant a Notice of Case Action informing her that effective May 1, 2014, her FAP case would be closing on the basis that she failed to verify or allow the Department to verify requested information. (Exhibit 2)

4. On April 21, 2014, Claimant submitted a hearing request disputing the Department's actions.

### **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).

#### **FIP**

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Family Independence Agency) administers FIP pursuant to 45 CFR 233-260, MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3101 to .3131.

The hearing was requested to dispute the Department's action taken with respect to Claimant's FIP benefits. Shortly after commencement of the hearing, Claimant testified that she understands the actions taken by the Department and that she no longer had any issues to address with respect to her FIP benefits. Claimant further stated that she checked the cash assistance box by mistake on her hearing request and that she did not wish to proceed with the hearing concerning FIP. The Request for Hearing was withdrawn. The Department agreed to the dismissal of the hearing request. Pursuant to the withdrawal of the hearing request filed in this matter, the Request for Hearing regarding the FIP is hereby **DISMISSED**.

#### **FAP**

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.

Additionally, verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (April 2014), p.1. To request verification of information, the Department sends a Verification Checklist (VCL) which tells the client what verification is required, how to obtain it, and the due date. BAM 130, pp. 2-3. The client must obtain the required verification, but the Department must assist if help is needed and requested. If neither the client nor the Department can obtain the requested verification despite a reasonable effort, the Department will use the best available information and if no evidence is available, its best judgment. BAM 130, p.3

FAP clients are given 10 calendar days to provide the verifications requested by the Department. Verifications are considered to be timely if received by the date they are due. BAM 130, pp.6-7. For FAP cases, the Department sends a negative action notice when the client indicates a 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, pp. 6-7.

The Department routinely matches recipient employment data with the Michigan Department of Treasury (MDOT) through computer data exchange processes. New Hires is a daily exchange with MDOT and the information is used to determine current income sources for active Department clients. BAM 807 (July 2013), p.1. The New Hire database is established from W-4 tax records submitted to MDOT by employers. The New Hires process matches the Social Security number (SSN) for all active recipients to the database. If a SSN match is found on Bridges and the New Hires database, a New Hires match is created if there is no earned income reflected in Bridges. BAM 807, p.1. If the employment has not been previously reported, the Department is to request verification of the employment by sending the client a New Hire Notice. BAM 807, p.1. Clients are given 10 calendar days to provide verification from the date the forms were requested. If verifications are not returned by the 10th day, the case will close for a minimum of 30 days after appropriate actions are taken in Bridges, unless the client returns the requested verifications. BAM 807, p. 2.

In this case, the Department testified that on November 4, 2013, it sent Claimant a New Hire Client Notice concerning Charles Edward Withers, Jr's employment at General Linen Supply. Claimant was instructed to complete and return the form to the Department by November 14, 2013. (Exhibit 1). At the hearing, the Department stated that Claimant timely submitted the completed New Hire Client Notice to the Department.

The Department further testified that it did not request that Claimant submit additional verifications concerning the group's income and employment subsequent to sending her the New Hire Client Notice. Although the Department testified that Claimant's case closed based on a FEE investigation that revealed possible fraudulent activity, the Notice of Case Action sent to Claimant on April 14, 2014, lists the reason for the intended action as being that Claimant failed to verify or allow the Department to verify information necessary to determine eligibility for the FAP program. (Exhibit 2).

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 because the Department has not established that Claimant failed to verify requested information, the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it closed Claimant's FAP case.

### **DECISION AND ORDER**

Accordingly, Claimant's hearing request with respect to FIP is DISMISSED and 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 case effective May 1, 2014;
2. Issue supplements to Claimant for any FAP benefits that she was entitled to receive but did not from May 1, 2014; and
3. Notify Claimant of its decision in writing.



**Zainab Baydoun**

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

Date Signed: **06/03/2014**

Date Mailed: **06/03/2014**

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**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:

