

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

**IN THE MATTER OF:**



Reg. No.: 14-002819  
Issue No.: 3001  
Case No.: [REDACTED]  
Hearing Date: JULY 3, 2014  
County: DHS SSPC-EAST

**ADMINISTRATIVE LAW JUDGE: Alice C. Elkin**

**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 July 3, 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 Supervisor, and [REDACTED], Assistance Payment Worker.

**ISSUE**

Did the Department properly close Claimant's 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. On April 15, 2014, Claimant applied for FAP benefits.
2. On April 22, 2014, the Department sent Claimant a Notice of Case Action notifying her that she was eligible for \$100 in FAP benefits for the period April 15, 2014 to April 30, 2014.
3. On April 22, 2014, the Department sent Claimant a Verification Checklist (VCL) requesting verification of her child support income and checking account.
4. The Department did not receive any of the requested verifications by the May 2, 2014 due date.

5. On May 6, 2014, the Department sent Claimant a Notice of Case Action notifying her that she was denied ongoing FAP benefits for May 1, 2014 ongoing because she had failed to verify her checking account.
6. On May 27, 2014, Claimant filed a request for hearing 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).

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, in an April 22, 2014, Notice of Case Action, Claimant was approved for \$100 in FAP benefits for the period from April 15, 2014, when she applied, to April 30, 2014. At the hearing, the Department testified that Claimant was approved for expedited FAP benefits pending verification of additional requested documentation.

FAP applicants eligible for expedited service must provide minimum verification in order to receive expedited FAP benefits. BAM 117 (October 2013), pp. 1-3. FAP groups that do not provide all additional required verifications are not issued benefits for subsequent months until they provide the waived verification or complete a redetermination. BAM 117, p. 5. If the client fails to verify requested information by the 10th day following the request (or by the extended date, if granted), the benefit period will expire at the end of the expedited month unless the verification is returned within 30 days of the date of the application and the application is subject to subsequent processing. BAM 117, p. 5. If the verifications are returned between 31 and 60 days after the application was filed, the Department reregisters the application using the date the client completed the process, and if the client is eligible, the Department prorates benefits from the date the client complied. BAM 115 (March 2014), p. 23.

In this case, the Department testified that Claimant's ongoing FAP eligibility was denied because she failed to verify her checking account. A checking account is an asset, and at application, a client must verify that the value of money in the account does not exceed the \$5000 asset limit for FAP eligibility. BEM 400, pp. 1, 3, 5, 14, 16, 56. Based on Claimant's statement in her application that she had a checking account with

Metalife, the Department sent her an April 22, 2014 VCL requesting verification of checking account by May 2, 2014. Claimant did not respond by the due date.

At the hearing, Claimant testified that she did not have a checking account. Rather, she had a prepaid card that was loaded with funds and used as a debit card. She explained that the card had some online banking features but was not affiliated with a brick-and-mortar financial institution. Under Department policy, money in a vendor prepaid debit card is an asset that must be verified either through (i) a statement from the vendor or an online printout which reflects the current account balance, or (ii) an ATM balance inquiry with sufficient information to support a match to the account (for example, the card number matches the printed digits on the ATM slip). BEM 400, pp. 15, 61. Therefore, verification of the money in the debit card was required.

Claimant testified that she called her worker after she received the VCL. The client must obtain required verifications, but the Department must assist if the client needs and requests help. BAM 130 (April 2014), p. 3. If neither the client nor the Department can obtain verification despite a reasonable effort, the Department must use the best available information and, if no evidence is available, its best judgment. BAM 130, p. 3. Claimant's testimony in this case established that when she called her worker, she only indicated that she had questions concerning the VCL, not that she was requesting assistance. Further, because she did not attempt to determine whether she could obtain online verification of the debit card balance at the time she received the VCL, she could not establish that she needed assistance.

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 closed Claimant's FAP case.

### **DECISION AND ORDER**

Accordingly, the Department's decision is AFFIRMED.



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**Alice C. Elkin**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: **7/9/2014**

Date Mailed: **7/10/2014**

ACE / tlf

**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:

