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

#### IN THE MATTER OF:



Reg. No.: Issue No.: Case No.: Hearing Date: County:

14-003827 1002; 5002

August 14, 2014 OAKLAND #4

### ADMINISTRATIVE LAW JUDGE: Susanne E Harris

### **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 August 14, 2014, from Lansing, Michigan. Participants on behalf of Claimant included Participants on behalf of the Department of Human Services (Department) included Eligibility Specialist,

#### ISSUE

Due to a failure to comply with the verification requirements, did the Department properly  $\bigotimes$  deny Claimant's application for:

Family Independence Program (FIP)? Food Assistance Program (FAP)?

State Emergency Relief (SER)?

Child Development and Care (CDC)?

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:

- Claimant  $\bigotimes$  applied for  $\bigotimes$  FIP &  $\bigotimes$  SER benefits. 1.
- 2. Claimant was required to submit requested verification by May 27, 2014.
- 3. On May 28, 2014, the Department  $\boxtimes$  denied Claimant's SER application.
- 4. On May 28, 2014, the Claimant did submit her check stubs.

- 5. On May 29, 2014, the Claimant applied for the Family Independence Program (FIP) benefits.
- 6. On May 28, 2014, the Department sent the Claimant notice of the SER denial.
- 7. On June 3, 2014, the Department sent the Claimant notice of her FIP denial due to excess income.
- 5. On June 4, 2014, the Department received the Claimant's 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 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 State Emergency Relief (SER) program is established by the Social Welfare Act, MCL 400.1-.119b. The SER program is administered by the Department (formerly known as the Family Independence Agency) pursuant to MCL 400.10 and by Mich Admin Code, R 400.7001 through R 400.7049. Department policies are found in the Department of Human Services State Emergency Relief Manual (ERM).

In this case, the Claimant testified that her verifications for SER were one day late because of the Memorial Day holiday. Emergency Relief Manual (ERM) 103 (2013) p. 6, sets the standard of promptness for processing a Claimant's application for SER benefits at 10 calendar days. ERM103 instructs the Department's case worker to deny the Claimant's application within the 10 calendar days if the Claimant is not cooperating by submitting the required verifications. The Department's worker is also permitted to continue to pend an application if the SER group is cooperating with in their ability to provide verifications. However, there is no evidence in this case to indicate that the Claimant was having any difficulty obtaining or submitting her paycheck stubs, and if she was, there is also no evidence that she even made the Department's worker aware of those difficulties. As such, the Administrative Law Judge concludes that the Department was acting in accordance with Departmental policy when taking action to deny the Claimant's application for SER for her failure to submit the required verifications within the standard of promptness.

Additionally, Bridges Assistance Manual (BAM) 130 (2012) p. 2, provides that the Department worker tell the Claimant what verification is required, how to obtain it and the due date by using either a DHS-3503 Verification Checklist, or for MA determinations, the DHS-1175, MA Determination Notice to request verification. It is not contested in this case that the Department did just that.

The Department asserted that the Claimant had excess income to be eligible for FIP benefits, but the Claimant testified that she only makes half the money that the Department actually counted for income. The Claimant asserted that the Department improperly calculated what her income actually is.

Bridges Eligibility Manual (BDM) 505 (2014), pp. 3-5, provide that the Department's worker is to use an average of the past three months of child support. Regarding nonchild-support income, the Department worker is to use past income to perspective income for the future unless changes are expected. The Department's worker is to use income from the past 30 days if it appears to accurately reflect what is expected to be received in the benefit month. In this case, there are two paychecks stubs in evidence. One is dated for April 4, 2014 and the other is dated for May 16, 2014. The worker present at the hearing could not explain how it is that the income documented in the Claimant's FIP budget was calculated. As such, the Department fails to meet its burden of establishing that the action that taken was in accordance with departmental policy when it denied the Claimant's FIP application for excess income.

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  $\boxtimes$  acted in accordance with Department policy when it denied the Claimant's application for SER benefits.  $\boxtimes$ Did not act in accordance with Department policy when it denied the Claimant's application for FIP benefits.

# DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED IN PART with respect to the SER denial and REVERSED IN PART with respect to the FIP denial.

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. Re-determine the Claimant's eligibility for FIP benefits back to the original application date, and

2. Issue the Claimant any supplements she may thereafter be due.

Susanne E Harris

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

Date Signed: 8/27/2014

Date Mailed: 8/28/2014

**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 Claimant;
- 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

#### SEH/tb

