

**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.: 14-007143
Issue No.: 2003; 3003
Case No.: ██████████
Hearing Date: August 20, 2014
County: MACOMB-DISTRICT (36)
MACOMB-DISTRICT (20)

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 three-way telephone hearing was held on August 20, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant, ██████████; and Claimant's sister/witness ██████████. Participants on behalf of the Department of Human Services (Department or DHS) included ██████████, Eligibility Specialist; and ██████████, Hearing Facilitator.

ISSUE

Did the Department properly close Claimant's Food Assistance Program (FAP), Medical Assistance (MA), and Medicare Savings Program (MSP) effective June 1, 2014?

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, MA, and MSP benefits. See Exhibit 2, pp. 1-14.
2. On April 15, 2014, the Department sent Claimant a redetermination (DHS-1010) regarding Claimant's MA, FAP and MSP programs and it was due back by May 1, 2014. See Exhibit 2, pp. 15-20.
3. On April 27, 2014, the witness on behalf of the Claimant, attempted to complete the redetermination online; however, she could not complete it due to computer issues. Instead, the witness on behalf of the Claimant completed applications for

FAP and Health Care Coverage benefits dated April 27, 2014. See Exhibit A, pp. 11-27.

4. In May 2014 and June 2014, Claimant and his witness attempted and/or contacted the Department. See Exhibit A, pp. 1-10.
5. Claimant failed to submit the redetermination.
6. On May 19, 2014, the Department sent Claimant a Notice of Case Action notifying him of the MSP case closure effective June 1, 2014, ongoing, due to his failure to submit a redetermination.
7. Effective June 1, 2014, Claimant's FAP and MA benefits closed. See Exhibit 2, pp. 5 and 13.
8. On July 14, 2014, Claimant filed a hearing request, protesting his MA/MSP and FAP case closures. See Exhibit 1, pp. 6-7.

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.

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act, 42 USC 1396-1396w-5; 42 USC 1315; the Affordable Care Act of 2010, the collective term for the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152; and 42 CFR 430.10-.25. The Department (formerly known as the Family Independence Agency) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

Preliminary matter

First, a majority of the hearing addressed Claimant's case closure for FAP and MSP benefits. However, a review of the evidence indicated that Claimant's MA benefits were also closed effective June 1, 2014. Claimant's redetermination similarly reviewed his

eligibility for MA benefits. See Exhibit 2, p. 15. Moreover, Claimant's Eligibility Summary indicated that his MA – AD – Care closed effective June 1, 2014. See Exhibit 2, p. 5. Thus, it is reasonable to conclude that Claimant's failure to submit the redetermination also resulted in the closure of the MA benefits. Because Claimant filed a hearing request protesting his MA benefits, this ALJ will also address whether the Department properly closed his MA benefits effective June 1, 2014. See Exhibit 1, p. 6 and BAM 600 (July 2014), pp. 4-6.

Second, Claimant subsequently applied for FAP benefits after the denial and was approved. See Exhibit 2, p. 14. Claimant's witness also appeared to dispute the amount of the FAP benefits he was approved. However, a review of Claimant's hearing request did not indicate any dispute of his FAP allotment. See Exhibit 1, pp. 6-7. As such, this ALJ will not address Claimant's subsequent FAP application or his allotment. Claimant can file another hearing request disputing the subsequent FAP allotment and/or application. See BAM 600, pp. 4-6.

FAP, MA, and MSP benefits

A complete redetermination is required at least every 12 months. BAM 210 (October 2013), p. 1.

For FAP cases, benefits stop at the end of the benefit period unless a redetermination is completed and a new benefit period is certified. BAM 210, p. 2. If the client does not begin the redetermination process, allow the benefit period to expire. BAM 210, p. 2. For MA cases, benefits stop at the end of the benefit period unless a redetermination is completed and a new benefit period is certified. BAM 210, p. 2.

A redetermination/review packet is considered complete when all of the sections of the redetermination form including the signature section are completed. BAM 210, p. 10. For FAP cases, if the redetermination packet is not logged in by the last working day of the redetermination month, the Department automatically closes the Eligibility Determination Group (EDG). BAM 210, p. 10. A DHS-1605, Notice of Case Action is not generated. BAM 210, p. 10. For MA cases, benefits are not automatically terminated for failure to record receipt of the redetermination packet. BAM 210, p. 10.

In this case, Claimant was an ongoing recipient of FAP, MA, and MSP benefits. See Exhibit 2, pp. 1-14. On April 15, 2014, the Department sent Claimant a redetermination (DHS-1010) regarding Claimant's MA, FAP, and MSP programs and it was due back by May 1, 2014. See Exhibit 2, pp. 15-20.

At the hearing, the Department testified that Claimant failed to submit a completed redetermination. Thus, the Department testified that Claimant's FAP benefits closed effective June 1, 2014. Moreover, on May 19, 2014, the Department testified that it sent Claimant a Notice of Case Action notifying him of the MSP case closure effective June

1, 2014, ongoing, due to his failure to submit a redetermination. It should be noted the Notice of Case Action was not provided as part of the evidence packet.

Additionally, on April 27, 2014, the witness on behalf of the Claimant testified that the Claimant received the redetermination. However, the witness testified that she attempted to complete the redetermination online; however, she could not complete it due to computer issues. Instead, the witness on behalf of the Claimant testified she completed a FAP and Health Care Coverage application dated April 27, 2014. See Exhibit A, pp. 11-27. Also, the Department acknowledged a FAP application dated April 28, 2014, but did not confirm an MA application around the same time period. Nevertheless, Claimant provided as evidence both applications completed on April 27, 2014 and stated they did not receive a response to either application. The Department testified that the applications did not receive a response (i.e., Notice of Case Action) because they were considered duplicative (i.e., Claimant was already receiving the same benefits at the time of application). See BAM 110 (January 2014), p. 3 (an application or filing form, with the minimum information, must be registered by the Department unless the client is already active for that program(s)).

Finally, it should be noted that Claimant's case transferred to a different DHS office on May 13, 2014. Claimant testified the he contacted the Department (previous office) on or around May 8, 2014, to inquire on his FAP benefits. Moreover, in June 2014, Claimant and his witness testified they attempted and/or contacted the Department (both offices) multiple times. See Exhibit A, pp. 1-10. Claimant's witness also presented as evidence a phone log documenting the phone calls placed to the Department in May and June 2014. See Exhibit A, pp. 1-10. The Department acknowledged contact with the Claimant in June 2014; however, could not recall any phone contact in May 2014.

Based on the foregoing information and evidence, the Department improperly closed Claimant's FAP, MA, and MSP benefits effective June 1, 2014, ongoing.

First, the evidence presented that Claimant submitted applications for FAP and MA benefits on April 27, 2014. See Exhibit A, pp. 11-26. BAM 110 states that a DHS-1171 is used for most applications and may also be used for redeterminations. BAM 110, p. 3. The redetermination process includes thorough review of all eligibility factors. BAM 210, p. 1. Redetermination, semi-annual and mid-certification forms are often used to redetermine eligibility of active programs. BAM 210, p. 1. Even though Claimant did not submit a redetermination, he complied with the redetermination process by submitting applications for FAP and MA/MSP benefits before the end of the benefit period (May 31, 2014). See Exhibit A, pp. 11-26. Claimant's application clearly included information necessary to redetermine eligibility of his active programs. As such, the Department improperly closed Claimant's FAP and MA/MSP benefits. BAM 110, p. 3; BAM 210, pp. 1-10; and see also BAM 210, p. 13 (FAP only timely filing date).

Second, Claimant credibly testified that he attempted to contact the Department in May 2014, which was before the end of the benefit period. In fact, Claimant provided evidence of his phone log to show the attempts made in May 2014. See Exhibit A, pp. 1-10. Local offices must assist clients who need and request help to complete applications, forms and obtain verifications. BAM 210, p. 1 and see also BAM 105 (April 2014), p. 12. As such, the evidence presented that the Department failed to assist the Claimant upon request and, therefore, improperly closed his FAP and MA/MSP benefits. BAM 210, p. 1.


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 closed Claimant's FAP, MA, and MSP benefits effective June 1, 2014.

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


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

Date Signed: **8/22/2014**

Date Mailed: **8/22/2014**

