

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 14-008835
Issue No.: 3002
Case No.: [REDACTED]
Hearing Date: September 10, 2014
County: Oakland-District 2

ADMINISTRATIVE LAW JUDGE: Kevin Scully

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 September 10, 2014, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED] and his authorized hearings representative [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED] and [REDACTED].

ISSUE

Did the Department properly close the Claimant's Food Assistance Program (FAP) benefits?

FINDINGS OF FACT

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

1. The Claimant was an ongoing Food Assistance Program (FAP) recipient.
2. On June 27, 2014, the Department sent the Claimant a Verification Checklist (DHS-3503) and Verification of Assets (DHS-20) requesting verification of a bank account by July 7, 2014.
3. On July 7, 2014, the Department received the Claimant's response to the Verification Checklist (DHS-3503).
4. On July 21, 2014, the Department notified the Claimant that it would close his Food Assistance Program (FAP) benefits as of July 1, 2014, for failure to provide the Department with information necessary to determine his eligibility to receive benefits.
5. On July 29, 2014, the Department received the Claimant's request for a hearing, protesting the closure of his Food Assistance Program (FAP) benefits.

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.

Clients must cooperate with the local office in determining initial and ongoing eligibility and this includes the completion of necessary forms. Department of Human Services Bridges Assistance Manual (BAM) 105 (April 1, 2014), p 5.

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. The Department uses documents, collateral contacts, or home calls to verify information. A collateral contact is a direct contact with a person, organization, or agency to verify information from the client. When documentation is not available, or clarification is needed, collateral contact may be necessary. Department of Human Services Bridges Assistance Manual (BAM) 130 (July 1, 2014), pp 1-9.

Assets means cash, any other personal property and real property. Real property is land and objects affixed to the land such as buildings, trees and fences. Condominiums are real property. Personal property is any item subject to ownership that is not real property. Countable assets cannot exceed the applicable asset limit. An asset is countable if it meets the availability tests and is not excluded. Available means that someone in the asset group has the legal right to use or dispose of the asset. Department of Human Services Bridges Eligibility Manual (BEM) 400 (October 1, 2013), pp 1-7.

The Claimant was an ongoing Food Assistance Program (FAP) recipient when the Department conducted a routine redetermination of his eligibility to receive continuing benefits. Based on the information discovered during this process, the Department sent the Claimant a Verification Checklist (DHS-3503) and Verification of Assets (DHS-20) requesting, among other things, verification of a bank account by July 7, 2014.

The Department received the Claimant's response to the Verification Checklist (DHS-3503) on July 7, 2014. The Department determined that the Verification of Assets (DHS-20) was insufficient, and on July 21, 2014, the Department notified the Claimant that it would close his Food Assistance Program (FAP) benefits.

The Claimant's representative disputed whether the Verification of Assets (DHS-20) was sufficient to verify the Claimant's countable assets. The Verification of Assets (DHS-20) is a form that is to be completed and signed by an employee of the Claimant's bank. The Claimant testified that this bank account has been closed for years, and that the closure of these accounts was verified by a signature of a bank employee on the Verification of Assets (DHS-20).


However, the bank employee did not complete the Verification of Assets (DHS-20) properly. The form does not indicate any account numbers or specific dates when the account was closed. The signature cannot be read, and no information for the Department to contact the bank was provided.

This Administrative Law Judge finds that it is reasonable that the Verification of Assets (DHS-20) was signed by an employee of the Claimant's bank, but that this form is insufficient verification that the Claimant no longer possesses this countable asset. If the form was only missing the bank contact information, the Department might have taken action to obtain the missing information. Since the form does not contain account numbers, this leaves the Department with insufficient information to seek clarification.

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 the Claimant's Food Assistance Program (FAP) benefits.

DECISION AND ORDER

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



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

Date Signed: **9/11/2014**

Date Mailed: **9/11/2014**

KS/las

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:

