

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

**IN THE MATTER OF:**

██████████  
██████████  
██████████████████

Reg. No.: 14-009556  
Issue No.: 2003, 3001, 3003  
Case No.: ██████████  
Hearing Date: September 11, 2014  
County: WAYNE (55)

**ADMINISTRATIVE LAW JUDGE: Jacquelyn A. McClinton**

**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 11, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included ██████████, Assistance Payments Worker.

**ISSUE**

Did the Department properly exclude shelter expenses when determining Claimant's eligibility for Food Assistance Program (FAP) benefits?

Did the Department properly close Claimant's FAP and Medical Assistance (MA) benefits for failure to return the New Hire form?

**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 February 6, 2014, Claimant applied for FAP and MA benefits.
2. Claimant was approved for full MA benefits.
3. On February 12, 2014, the Department sent a Verification Checklist (VCL) to Claimant requesting proof of shelter expenses.
4. The information returned by Claimant was insufficient.

5. On May 20, 2014, the Department sent Claimant a Shelter Verification form to be completed and returned by May 20, 2014.
6. On May 30, 2014, Claimant returned the Shelter Verification form; however, it was incomplete.
7. On May 1, 2014, the Department sent Claimant a Notice of Case Action notifying him that he had been approved for FAP benefits; however, no shelter deduction was included in determining his eligibility for benefits.
8. The Department received information that Claimant was employed.
9. On July 7, 2014, the Department sent Claimant a New Hire form to be completed and returned by July 17, 2014.
10. Claimant failed to return the New Hire form.
11. On July 22, 2014, the Department sent Claimant a Notice of Case Action notifying him that his FAP benefits would close effective September 1, 2014 for failure to return the New Hire form.
12. On July 23, 2014, the Department sent Claimant a Health Care Determination Notice notifying him that his MA benefits would close effective September 1, 2014 for failure to return the New Hire form.
13. On July 30, 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.

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.

Claimant filed a Request for Hearing disputing both the reduction and closure of his FAP benefits as well as the denial of his MA benefits.

### **FAP reduction**

Claimant filed a Request for Hearing regarding his FAP benefits because he believed that the Department failed to calculate his shelter expenses. Verification is usually required at application/redetermination **and** for a reported change affecting eligibility or benefit level. BAM 130 (July 2014), p.1.

On February 6, 2014, Claimant applied for FAP benefits. On February 12, 2014, the Department sent Claimant a VCL requesting proof of shelter expenses. Claimant returned copies of his rent receipts. However, the copies failed to identify the address for which the rent was paid. As a result on May 20, 2014, the Department sent Claimant a Shelter Verification form requesting that it be completed by May 30, 2014. On May 30, 2014, Claimant returned the Shelter Verification form. However, a portion of the form that was to be completed by his landlord was left blank. On the form, Claimant request additional time to have the blank portion completed. Claimant confirmed that as of the date of the hearing, the blank portion of the form had not been completed. Therefore, it is found that the Department properly excluded a shelter deduction when it determined Claimant's eligibility for FAP benefits.

### **FAP closure**

New Hire information is used to determine current income sources for active DHS clients BAM 807 (July 2014), p. 1. If income verifications are not returned by the 10th day, the case will close for a minimum of 30 days after appropriate actions are taken, unless client returns verifications. BAM 807, p. 2. The Department learned that Claimant became employed. On July 7, 2014, it sent Claimant a New Hire form to be completed and returned by July 17, 2014. Claimant failed to return the New Hire form. Claimant testified that he never returned the New Hire form because at the time he was working two jobs and believed the income from both jobs would render him ineligible for benefits. Because Claimant failed to return the New Hire form, it sent Claimant a Notice of Case Action on July 23, 2014 notifying him that his FAP benefits would close effective September 1, 2014. At the hearing, Claimant testified that he is no longer working both jobs. It is found that the Department properly closed Claimant's FAP benefits. Claimant can re-apply for FAP benefits.

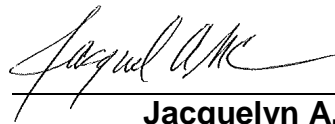
### **MA**

Claimant also applied for MA benefits on February 6, 2014. Claimant was approved and began receiving full MA benefits. However, on July 23, 2014, the Department sent Claimant a Health Care Determination Notice notifying him that his MA benefits would

end because he failed to return the New Hire form. Because Claimant failed to return the New Hire form, the Department was unable to determine whether he was eligible for MA benefits and as such properly closed his MA benefits. If Claimant's circumstances have changed, he can re-apply for benefits.

**DECISION AND ORDER**

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



**Jacquelyn A. McClinton**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: **9/18/2014**

Date Mailed: **9/18/2014**

JAM / cl

**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.

