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

#### IN THE MATTER OF:



Reg. No.: 14-010046 Issue No.: 3007 Case No.: September 17,2014 Hearing Date: County: WAYNE-19 (INKSTER)

# ADMINISTRATIVE LAW JUDGE: Robert Chavez

# 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 17, 2014, from Detroit, Michigan. Participants on behalf of Claimant included . Participants on behalf of the Department of Human Services (Department) included , FIM.

#### ISSUE

Did the Department properly  $\Box$  deny Claimant's application  $\boxtimes$  close Claimant's case for:

Family Independence Program (FIP)?

Food Assistance Program (FAP)?

Medical Assistance (MA)?

Adult Medical Assistance (AMP)?

State Disability Assistance (SDA)?

- Child Dev. and Care (CDC)?
- Direct Support Services (DSS)?
- State SSI Payments (SSP)?

# FINDINGS OF FACT

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

- Claimant applied for  $\times$  received: 1. AMP FIP 🛛 FAP MA SDA CDC DSS SSP benefits.
- 2. On September 1, 2014, the Department denied Claimant's application Closed Claimant's case due to a failure to return a New Hire Client Notice, which was mailed on July 28, 2014.

- 3. On July 28, 2014, the Department sent Claimant/Claimant's Authorized Representative (AR) its decision.
- 4. On July 30, 2014, Claimant/Claimant's Authorized Hearing Representative (AHR) filed a hearing request, protesting 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), and Department of Human Services Reference Tables Manual (RFT).

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 271.1 to 285.5. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10 and Mich Admin Code, R 400.3001 to .3015.

There appear to be a myriad of problems with the disposition of the case in question.

First, the DHS-4635, New Hire Client Notice, clearly gave claimant until August 7, 2014 to return the requested paperwork. However, per Department testimony, the Department began closing claimant's case on July 28, 2014, which was the same day the notice was sent to the claimant. Furthermore, the Department submitted no evidence showing that claimant was even sent notice of the closure, which is clear error, as notice is required to be given for all case actions. BAM 220.

Second, claimant did return the DHS-4635 before the due date, and attached several pay stubs, as requested by the form. The Department argued that the pay stubs as attached were inadequate; while this may be the case, the DHS-4635 gives no notice as to which pay stubs were required to be sent in. As claimant had held the same job since November, 2013, and as there is no policy that supports the claimant returning 9 months' worth of pay stubs, if the Department felt that what claimant returned was not adequate, the Department should have notified claimant of that fact or been more specific as to what it wanted exactly. There is no evidence that claimant was ever notified as to what the Department specifically needed in order to process the case. Per policy in BAM 807, the case may only close if the claimant fails to provide the information within 10 days; however, in order for that clause to take effect, the Department must request, with specificity, what information it requires.

Finally, it does not appear that claimant was even required to provide the information in question. Per BAM 807, a DHS-4635 is only sent when new employment is reported. However, the job in question was not new, and claimant had been employed there since November, 2013. Claimant testified that the Department was aware of the job, and the job had been reported on redeterminations. The Department did not dispute this testimony. It did appear that the employer had changed names and merged with a second company; this action appeared to trigger the sending of the DHS-4635.

This does not mean claimant had new employment, however. The Department should have had all information on hand, and the notice appears to be a result of a glitch. The Department was already aware of the job, and nothing had changed in claimant's circumstances except for the title of the company where the employment was located.

As such, the undersigned holds that the notice was sent out in error, and claimant had no duty to return it. Even if claimant did have a duty to return it, it was returned in a timely manner, and done to the best of claimant's ability. Finally, the Department has failed to send a notice of case action to close the case.

The Administrative Law Judge, based upon 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

K did not act in accordance with Department policy when it closed claimant's FAP case.

failed to satisfy its burden of showing that it acted in accordance with Department policy when it .

# **DECISION AND ORDER**

Accordingly, the Department's decision is

AFFIRMED.

 $\boxtimes$  REVERSED.

AFFIRMED IN PART with respect to and REVERSED IN PART with respect to

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. Reopen claimant's FAP case retroactive to the date of negative action.

Robert Chavez Administrative Law Judge for Maura Corrigan, Director Department of Human Services

Date Signed: 9/23/2014

Date Mailed: 9/23/2014

RJC / tm

**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

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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

