

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 14-012476  
Issue No.: 3002  
Case No.: [REDACTED]  
Hearing Date: October 27, 2014  
County: MACOMB-DISTRICT 20

**ADMINISTRATIVE LAW JUDGE: Susan C. Burke**

**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 October 27, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Hearings Coordinator.

**ISSUE**

Did the Department properly close Claimant's Food Assistance Program (FAP) case due to failing to verify assets?

**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 a recipient of FAP benefits.
2. On [REDACTED] the Department issued a Verification Checklist (VCL), instructing Claimant to return vehicle information and bank information by [REDACTED].
3. Claimant returned the vehicle information by the due date.
4. Claimant's bank account was closed when she received the VCL.
5. On [REDACTED] the Department issued a Notice of Case Action informing Claimant that her FAP would close, effective [REDACTED], due to failure to return bank information.

6. On [REDACTED], Claimant filed a hearing request, disputing 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), 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 who are able but refuse to provide necessary information or take a required action are subject to penalties." BAM 105 (4/2014), p. 7 "Tell the client what verification is required, how to obtain it, and the due date; see Timeliness of Verifications in this item. Use the DHS-3503, Verification Checklist (VCL), to request verification." BAM 130, (7/2014), p. 3

In the present case, on [REDACTED], the Department issued a Verification Checklist (VCL), instructing Claimant to return vehicle information and bank information by [REDACTED]. Claimant returned the vehicle information by the due date. Claimant's bank account was closed, so Claimant wrote on the returned VCL attachment, "N/A." On [REDACTED], the Department closed Claimant's FAP case, due to failure to return the bank information.

The Department argues that Claimant should have obtained a statement from her prior bank indicating that her account was closed. However, the VCL states in part, "Requested Proof (Return one of the following: Current statement from bank or financial institution/DHS 20 Verification of Assets)". Claimant requested a hearing because she informed the Department that her bank account was closed, and she kept returning forms to the Department, marking them as "N/A." The Department did not clarify for Claimant in the VCL submitted into evidence that Claimant must obtain a statement from the bank stating that any account she had in the past was now closed; the Department simply attached a form to be filled out by a bank without explanation to Claimant.

It is not found that Claimant refused to provide necessary information or take required action, as Claimant did return information requested in the VCL regarding vehicles, and Claimant clearly misunderstood the Department's request regarding bank information.

It is noted that per BAM 105, p. 1, the Department is to protect client rights, which, in this case, would include clarifying for Claimant the instruction she misunderstood.

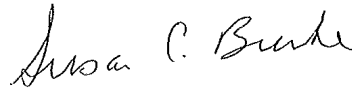
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it closed Claimant's FAP case.

### **DECISION AND ORDER**

Accordingly, the Department's 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 case, effective [REDACTED].
2. Issue FAP supplements, in accordance with Department policy.



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**Susan C. Burke**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: **10/30/2014**

Date Mailed: **10/30/2014**

SCB / hw

**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:

