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

#### IN THE MATTER OF:



Reg. No.: Issue No.: Case No.: Hearing Date: County: 14-014596 1002;2001;3002

November 20, 2014 Wayne-District 76

## ADMINISTRATIVE LAW JUDGE: Zainab Baydoun

### 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 November 20, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included **General**, PATH Coordinator/Hearings Facilitator and **General**, Family Independence Specialist.

### <u>ISSUES</u>

Did the Department properly deny Claimant's application for Family Independence Program (FIP) benefits and close her Food Assistance Program (FAP) case based on a failure to verify requested information?

Did the Department properly process Claimant's Medical Assistance (MA) 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. Claimant was an ongoing recipient of FAP benefits.
- 2. On August 26, 2014, Claimant submitted an application for FIP benefits.
- 3. On September 3, 2014, the Department sent Claimant a Verification Checklist instructing her to submit proof of her loss of employment, heat and electric expenses, and school attendance for her children by September 15, 2014. (Exhibit 1)

- 4. On September 3, 2014, the Department also sent Claimant a Verification of Employment (VOE) form that she was instructed to have completed and returned to the Department by September 15, 2014. (Exhibit 1)
- 5. On October 10, 2014, the Department sent Claimant a Notice of Case Action informing her that her FIP application was denied on the basis that she failed to provide proof of information requested by the Department. The Notice also informed Claimant that her FAP case would be closing effective November 1, 2014, on the basis that she failed to provide verification of her loss of employment and heat/electric expenses. (Exhibit 2)
- 6. Claimant was an ongoing recipient of MA benefits with no lapse in coverage for herself or her children. (Exhibit 5)
- 7. On October 16, 2014, Claimant submitted a hearing request 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).

### FIP/FAP

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Family Independence Agency) administers FIP pursuant to 45 CFR 233-260, MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3101 to .3131.

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.

Additionally, verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (July 2014), p.1. To request verification of information, the Department sends a verification checklist (VCL) which tells the client what verification is required; how to obtain it, and the due date. BAM 130, p. 3. Although the client must obtain the required verification, the Department must assist if a client needs and requests help. If neither the client nor the Department

can obtain the verification despite a reasonable effort, the Department is to use the best available information; and if no evidence is available, the Department is to use its best judgment. BAM 130, p. 3.

With respect to FIP and FAP cases, clients are given 10 calendar days to provide the verifications requested by the Department. Verifications are considered to be timely if received by the date they are due. BAM 130, pp.6-7. The Department sends a negative action notice when the client indicates a refusal to provide a verification or the time period given has elapsed and the client has not made a reasonable effort to provide it. BAM 130, pp.6-7.

In this case, the Department testified that in connection with Claimant's FIP application and reported loss of employment, it sent Claimant a VCL requesting that she submit proof of her loss of employment, heat and electric expenses, and school attendance for her children by September 15, 2014. (Exhibit 1). The Department also sent Claimant a VOE to be completed by her employer, which verifies her loss of employment. (Exhibit 1).The Department testified that because it did not receive the requested verifications by the due date and because it did not receive any communications from Claimant concerning the VCL, it sent Claimant a Notice of Case Action informing her that her FIP application had been denied and that her FAP case would be closed effective November 1, 2014. (Exhibit 2).

At the hearing, Claimant confirmed that she received the VCL and the VOE. Claimant testified that on the due date of September 15, 2014, she went to the local Department office, scanned copies of her lease showing utility expenses, and the verification of employment and uploaded the documents to her electronic case file. Claimant confirmed that she did not submit proof of her children's school attendance.

The Department confirmed that on September 15, 2014, Claimant did upload some documents however; the Department stated that Claimant did not provide verification of her employment or school attendance for the children. The Department presented a copy of the Bridges Electronic Documents summary in support of its testimony, as well as the actual verifications that were received, which included a change report that was completed by Claimant for her ending employment, but not the specific verifications that she was instructed to return to the Department. (Exhibits 3 and 4). Claimant did not provide copies of the documents that she stated she submitted to the Department on September 15, 2014.

After further review of the evidence presented, although Claimant did provide proof of her utility expenses by the due date, because Claimant did not submit sufficient verification of her loss of employment and school attendance of her children, the Department acted in accordance with Department policy when it closed Claimant's FAP case and denied her FIP application on the basis that she failed to verify requested information.

# <u>MA</u>

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.

Additionally, Claimant stated that she submitted a hearing request concerning her MA benefits because she did not know the status of her case and was not sure if her MA benefits were also impacted. The Department testified that Claimant and her children have active and ongoing MA benefits and that there was no lapse in coverage for any of the group members. The Department presented an eligibility summary in support of its testimony, which after further review, confirms that Claimant and her children have active MA benefits. (Exhibit 5).

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 processed Claimant's MA benefits.

## **DECISION AND ORDER**

Accordingly, the Department's FIP, FAP and MA decisions are AFFIRMED.

Laurab Raydown

Zainab Baydoun Administrative Law Judge for Maura Corrigan, Director Department of Human Services

Date Signed: 11/25/2014

Date Mailed: 11/25/2014

ZB / tlf

**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 48909-8139

CC:	