

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 14-005352
Issue No.: 1001;3001
Case No.: [REDACTED]
Hearing Date: JULY 28, 2014
County: WAYNE-DISTRICT 41

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 July 28, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and her mother, [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Hearings Coordinator.

ISSUE

Did the Department properly deny Claimant's application for Family Independence Program (FIP) benefits and process her 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. Claimant was previously an ongoing recipient of FIP and FAP benefits.
2. On February 13, 2014, the Department sent Claimant a Notice of Case Action informing her that effective March 1, 2014, the Department intended to terminate her FIP benefits and reduce her FAP benefits to \$189 monthly for a group size of one, based on a failure to cooperate with work related activities. (Exhibit A)
3. On February 20, 2014, a triage was held at which it was determined that Claimant had good cause for her noncompliance. (Exhibits 3 and A)
4. On March 5, 2014, the Department sent Claimant a Notice of Case Action informing her that effective March 1, 2014, she was approved for continued FIP

benefits in the amount of \$382.86 monthly and that effective April 1, 2014, her FAP benefits would be increased to \$347 monthly and group size increased to two. (Exhibit A)

5. On May 15, 2014, Claimant submitted an application for FIP benefits. (Exhibit 1)
6. On May 27, 2014, the Department sent Claimant a Notice of Case Action informing her that for the period June 1, 2014, ongoing, her FIP application had been denied on the basis that she failed to participate in employment and/or self-sufficiency-related activities without good cause and a three month FIP sanction was imposed on her case. (Exhibit 2)
7. On June 18, 2014, Claimant submitted a hearing request disputing the denial of her FIP application and the lapse in FAP benefits for the month of March 2014.

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

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.

Additionally, PATH participants must complete the 21-day PATH application eligibility period (AEP) part of orientation which is an eligibility requirement for approval of the FIP application. BEM 229 (July 2013), pp. 1, 6. This requires that the client (i) begin the AEP by the last date to attend as indicated on the PATH Appointment Notice, (ii) complete the PATH AEP requirements, and (iii) continue to participate in PATH after completion of the 21-day AEP. BEM 229, p.1. Failure by a client to participate fully in assigned activities while the FIP application is pending will result in denial of FIP benefits. BEM 229, p. 6. Noncompliance while the application is pending results in group ineligibility. The Department is not to schedule a triage for instances of noncompliance while the FIP application is pending nor is the Department to apply a penalty for noncompliance at application. BEM 233A (July 2013), pp. 7- 9.

In this case, Claimant was previously receiving FIP benefits and placed in noncompliance for her failure to participate in required work activities. The Department sent Claimant Notice of the potential case closure and scheduled a triage meeting to discuss the noncompliance, which Claimant attended. At the triage, it was determined

that Claimant had good cause for her noncompliance and Claimant's FIP case was to be reinstated, and the penalty removed. (Exhibit A).

For an unverified reason, Claimant submitted a new application for FIP benefits on May 15, 2014, which was denied by the Department on the basis that she failed to comply with PATH requirements and participate in employment and/or self-sufficiency-related activities without good cause. The Notice also informed Claimant that a three month FIP penalty was being imposed on her case from June 1, 2014 to August 31, 2014. (Exhibit 2).

At the hearing, the Department failed to establish that Claimant was noncompliant with the PATH requirements at application and acknowledged that any imposition of a sanction or penalty at application was improper. Claimant testified that after she submitted her application, she did not receive any PATH appointment notices or other communications from the Department instructing her to attend orientation and that the only notice she received was the Notice of Case Action informing her of the application denial.

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 denied Claimant's FIP application on the basis that she failed to participate in employment and/or self-sufficiency-related activities without good cause and imposed a three month sanction.

FAP

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, noncompliance without good cause with employment requirements for FIP may affect FAP if both programs were active on the date of FIP non-compliance. BEM 233B (July 2013), p. 1. An individual is disqualified from a FAP group for noncompliance when the client had active FIP and FAP benefits on the date of the FIP noncompliance; the client did not comply with the FIP employment requirements; the client is subject to penalty on the FIP program; the client is not deferred from FAP work requirements; and the client did not have good cause for the noncompliance. BEM 233B, p. 2.

In this case, Claimant's FAP benefits decreased to \$189 and she was disqualified as a FAP group member for March 1, 2014 based on a noncompliance with FIP work related activities. As discussed above, the Department determined that Claimant had good cause for her previous noncompliance with FIP related work activities and therefore, was in compliance with FAP work requirements. (Exhibit A). The Department sent

Claimant a Notice of Case Action informing her that she would be included as a qualified FAP group member and her benefits increased to \$347 effective April 1, 2014. The Notice did not address Claimant's FAP benefits for March 1, 2014.

At the hearing, it was established that Claimant was improperly removed as FAP group member for March 1, 2014 and that she only received the \$189 for a group size of one. The Department acknowledged that this was done in error and that Claimant should have received the \$347 for a group size of two.

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 processed Claimant's FAP benefits for March 2014.

DECISION AND ORDER

Accordingly, the Department's FIP and FAP decisions are 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. Remove any noncompliance sanctions imposed on Claimant's FIP and FAP cases;
2. Register and process Claimant's May 15, 2014, FIP application;
3. Issue supplements to Claimant for any FIP benefits that she was eligible to receive but did not from the date of application, ongoing;
4. Recalculate Claimant's FAP budget to include Claimant as a qualified FAP group member for March 2014;
5. Issue supplements to Claimant for any FAP benefits that she was eligible to receive but did not for March 2014; and
6. Notify Claimant of its decision in writing.



Zainab Baydoun

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

Date Signed: **7/30/2014**

Date Mailed: **8/05/2014**
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 48909-07322

CC:

