

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

IN THE MATTER OF:

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████████████████████

Reg. No.: 14-018574
Issue No.: 2002; 3002
Case No.: ██████████
Hearing Date: February 09, 2015
County: MACOMB-20 (WARREN)

ADMINISTRATIVE LAW JUDGE: Robert J. 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 February 9, 2015, from Detroit, Michigan. Participants on behalf of Claimant included ██████████ Participants on behalf of the Department of Human Services (Department) included ██████████ Hearings Facilitator.

ISSUE

Due to a failure to comply with the verification requirements, did the Department properly deny Claimant's Medical Assistance (MA) application and close Claimant's Food Assistance Program (FAP) benefits?

FINDINGS OF FACT

The Administrative Law Judge, based upon the competent, material, and substantial evidence on the whole record, including testimony of witnesses, finds as material fact:

1. Claimant was a recipient of FAP benefits.
2. In July, 2014, Claimant applied for MA benefits through a health insurance marketplace.
3. On November 7, 2014, Claimant was sent a verification checklist requesting proof of income with regards to Claimant's MA application and FAP case.
4. Claimant did not have income.
5. Claimant did not return verification to the Department.

6. On December 17, 2014, the Department denied Claimant's MA application.
7. On January 1, 2014, the Department closed Claimant's FAP case.
8. On December 17, 2014, the Department sent Claimant/Claimant's Authorized Representative (AR) notice of its action.
9. On December 22, 2014, Claimant/Claimant's Authorized Hearing Representative (AHR) filed a hearing request, protesting 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), 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 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.

The Department argues that Claimant failed to submit requested verification which resulted in a case closure and application denial. Later on, it was determined that the item for which the Department requested verification of, income, did not exist for this particular Claimant.

Per policy found in BAM 130 (2014) pg. 1, the Department must verify information when information regarding an eligibility factor is unclear, inconsistent, incomplete or contradictory. The questionable information might be from the client or a third party.

However, in the current case, the Department has failed to prove that there was information that was unclear, inconsistent incomplete or contradictory.

The Department argues that an application submitted in July, 2014, contains information regarding Claimant's income, which was inconsistent with the information they had on file.

However, the Department failed to submit into evidence this application; as such, the undersigned holds that the Department has failed to meet its burden of proof in showing that such verification was needed to process Claimant's MA application, or resolve an inconsistency with regard to Claimant's FAP benefits. As there is no evidence that Claimant stated that there was income on this application, the undersigned cannot hold that the Department was correct to request information regarding this income, especially considering that all parties now agree that this alleged income did not ever exist. For these reasons, the undersigned must hold that the Department has failed to meet its burden of proof, and must be reversed.

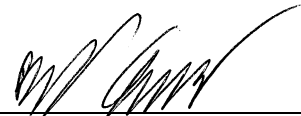
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any finds that the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it closed Claimant's FAP benefit case and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

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. Reopen Claimant's FAP benefits retroactive to the date of negative action, and provide any supplemental benefits to which the Claimant is otherwise entitled.
2. Reprocess the MA application in question.



Robert J. Chavez
Administrative Law Judge
for Nick Lyon, Interim Director
Department of Human Services

Date Signed: **3/2/2015**

Date Mailed: **3/2/2015**

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

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:

[REDACTED]