

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 201414373  
Issue No.: 3002  
Case No.: [REDACTED]  
Hearing Date: December 18, 2013  
County: Wayne (41)

**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 December 18, 2013, from Detroit, Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

**ISSUE**

Did the Department properly  deny Claimant's application  close Claimant's case for:

- |  |   |
|--|---|
| <input type="checkbox"/> Family Independence Program (FIP)?        | <input type="checkbox"/> State Disability Assistance (SDA)? |
| <input checked="" type="checkbox"/> Food Assistance Program (FAP)? | <input type="checkbox"/> Child Development and Care (CDC)?  |
| <input type="checkbox"/> Medical Assistance (MA)?                  | <input type="checkbox"/> Direct Support Services (DSS)?     |
| <input type="checkbox"/> Adult Medical Assistance (AMP)?           | <input type="checkbox"/> 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:

1. Claimant  applied for  received:  
 FIP  FAP  MA  AMP  SDA  CDC  DSS  SSP benefits.
2. On [REDACTED] 2013, the Department  denied Claimant's application  closed Claimant's case due to failure to return verifications of income.

3. On [REDACTED] 2013, the Department sent Claimant/Claimant's Authorized Representative (AR) its decision.
4. On [REDACTED] 2013, 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 Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10 and 400.57a 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 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.

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105.

The Adult Medical Program (AMP) is established by 42 USC 1315 and is administered by the Department pursuant to MCL 400.10.

The State Disability Assistance (SDA) program is established by the Social Welfare Act, MCL 400.1-.119b. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10 and Mich Admin Code, R 400.3151-.3180.

The Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, 42 USC 601-619, 670-679c, and 1397-1397m-5; the Child Care and Development Block Grant of 1990, PL 101-508, 42 USC 9858 to 9858g; and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193. The program is implemented by 45 CFR 98.1-99.33. The Department administers the program pursuant to MCL 400.10 and provides services to adults and children pursuant to MCL 400.14(1) and Mich Admin Code, R 400.5001-.5020.

Direct Support Services (DSS) is established by the Social Welfare Act, MCL 400.1-.119b. The program is administered by the Department pursuant to MCL 400.10 and 400.57a and Mich Admin Code R 400.3603.

The State SSI Payments (SSP) program is established by 20 CFR 416.2001-.2099 and the Social Security Act, 42 USC 1382e. The Department administers the program pursuant to MCL 400.10.

The Department argued that claimant failed to return properly requested verifications, and thus had her FAP case closed.

Per BAM 130, the Department may request verifications when required by policy, or when an eligibility factor is unclear, inconsistent, incomplete, or contradictory.

If neither the client nor the Department can obtain verification despite a reasonable effort, the Department is to use the best available information. If no evidence is available, the Department must use their best judgment. BAM 130.

Benefits may be terminated only if the client indicates refusal to provide a verification, or if the time period given to provide verifications has elapsed and the client has not made a reasonable effort to provide it. BAM

However, critical in all this is that verifications must first be properly requested.

On [REDACTED] 2013 claimant was sent an Unearned Income Notice, DHS-4487, stating that the IRS had informed DHS of unearned income. This notice specifically stated that claimant's "specialist will be contacting you in the next few weeks about your redetermination of eligibility. Your specialist will ask for verification of account(s) described below".

This notice did not contain a due date for verifications, nor did it require claimant to act right then to secure verifications.

In fact, BAM 803, which deals with these types of notices and data matches, states that the Department must then set a task/reminder to subsequently request verifications of the claimant; when this task/reminder is sent to the case worker, the case worker then proceeds to make a verification request. At no point is the DHS-4487 considered a request for verification.

However, the caseworker in question came to the conclusion, despite language on the DHS-4487 stating that it was not a verification request, that the DHS-4487 was a verification request, and proceeded to close the case when the claimant did not respond to a notice that did not require a response.

Per BAM 130, the specialist must use a DHS-3503 to request verifications. The Department testified that no DHS-3503 was sent out, and argued that the DHS-4487

should have been sufficient, or, in the alternative, a verbal contact with the claimant, notifying her of the need to return documents, was sufficient.

The undersigned should not need to remind the Department that, as a bureaucracy, there is no such thing as a verbal notification; this is especially true when policy specifically directs the sending of a DHS-3503 to request verification.

Therefore, as claimant's case was closed in response to a failure to provide verifications, and as the Department admits that it never made an official request for verification, and as a DHS-4487 is not a verification request despite arguments to the contrary, the claimant's case was closed in error.

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 .
- 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.
- 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 and issue any supplemental benefits to which the claimant is otherwise entitled.



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

Date Signed: 12/27/2013

Date Mailed: 12/27/2013

**NOTICE OF APPEAL:** The claimant may appeal the Decision and Order to Circuit Court within 30 days of the receipt of the Decision and Order or, if a timely Request for Rehearing or Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

Michigan Administrative Hearing System (MAHS) may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. MAHS will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request (60 days for FAP cases).

A Request for Rehearing or Reconsideration may be granted 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 Department, AHR or the claimant 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 the hearing decision is mailed.

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

RJC/hw

cc:

