

**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.: 2014-33277
Issue No(s): 7001
Case No.: ██████████
Hearing Date: April 24, 2014
County: Wayne (31)

ADMINISTRATIVE LAW JUDGE: Eric Feldman

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 three-way telephone hearing was held on April 24, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and Claimant's witness, ██████████. Participants on behalf of the Department of Human Services (Department or DHS) included ██████████, Eligibility Specialist, and ██████████ Hearings Facilitator.

ISSUE

Did the Department properly process Claimant's Direct Support Services (DSS) request for vehicle repair services?

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 is an ongoing Medical Assistance (MA) and Food Assistance Program (FAP) recipient.
2. On March 20, 2014, Claimant submitted a DSS request for vehicle repair services. See Exhibit 1.
3. On March 20, 2014, Claimant included with his DSS request a vehicle repair statement, repair estimate in the amount of \$1,000, certificate of title, driver's license, and registration. See Exhibit 1.

4. The Department did not process Claimant's DSS request for vehicle repair services due to not having additional documentation.
5. On March 20, 2014, Claimant filed a hearing request, protesting the Department's action. See Exhibit 1.

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).

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.

As a preliminary matter, Claimant appeared to indicate that he had other possible DSS requests. However, the evidence presented that Claimant submitted a DSS request for vehicle repair services on March 20, 2014. See Exhibit 1. As such, this hearing decision will only address the DSS request dated March 20, 2014.

Department of Human Services (DHS) assists families to achieve self-sufficiency. BEM 232 (October 2013), p. 1. The primary avenue to self-sufficiency is employment. BEM 232, p. 1. DHS and Partnership. Accountability. Training. Hope. (PATH) provides Direct Support Services (DSS) to help families become self-sufficient. BEM 232, p. 1.

There is no entitlement for DSS. BEM 232, p. 1. The decision to authorize DSS is within the discretion of the DHS or PATH program. BEM 232, p. 1. DSS supports FIP, CDC, MA and FAP Families programs. BEM 232, p. 2.

In this case, Claimant is an ongoing MA and FAP recipient. Therefore, Claimant was eligible for DSS request. See BEM 232, pp. 1-2, and 15. On March 20, 2014, Claimant submitted a DSS request for vehicle repair services. See Exhibit 1. On March 20, 2014, Claimant included with his DSS request a vehicle repair statement, repair estimate in the amount of \$1,000, certificate of title, driver's license, and registration. See Exhibit 1.

The Department authorizes vehicle repairs for each participant for a vehicle that is the primary means of transportation for employment-related activities, even if public transit is available. BEM 232, p. 15. The total DHS/PATH program cost of repairs may not exceed \$900 including any repairs done in the previous 12 months. BEM 232, p. 15.

Prior approval is required for this service except for emergency repairs that occurred outside of DHS office hours. BEM 232, p. 15. Before the Department authorizes a major repair, it ensures that all of the following conditions are met: (i) an eligible group member owns the vehicle; (ii) the client requesting the service has a valid driver's license; and (iii) the repair is expected to make the vehicle safe and roadworthy including new tires, headlamps, batteries, etc. BEM 232, p. 15. An estimate of the vehicle repair is required and should be placed in the case file. BEM 232, p. 16.

A vehicle may be repaired for a currently employed client if the client needs a vehicle to accept a verified offer of a better job or needs a vehicle to retain current employment; and has a demonstrated ability to maintain a job. BEM 232, p. 15. A vehicle may be repaired for a client who is not currently employed if the client needs a vehicle to accept a verified job offer; or needs a vehicle to participate in family self-sufficiency activities that will prepare the client for employment. BEM 232, p. 15.

At the hearing, the Department testified that Claimant informed it that he needed the DSS request to find employment. However, the Department testified that it discovered subsequent to the application that Claimant already had employment. Thus, on or around March 21, 2014, the Department testified that it spoke to the Claimant and stated that it needed proof of employment and vehicle insurance. The Department testified that it did not send Claimant a Verification Checklist (VCL) requesting such documentation. Moreover, the Department testified that it never processed Claimant's DSS request because it never received the necessary documentation.

Claimant testified that he did notify the Department that he was employed as of early December 2013. Claimant's witness even testified that he has been employed since early December 2013. Additionally, Claimant testified that the Department already had all the necessary documentation (e.g., proof of employment, insurance, etc...). Finally, Claimant testified that he needed the DSS request in order to take his daughter to school and also for him to retain current employment.

For all programs, the Department tells the client what verification is required, how to obtain it, and the due date. BAM 130 (January 2014), p. 3. The Department uses the DHS-3503, Verification Checklist (VCL), to request verification. BAM 130, p. 3.

For all programs, the Department determines eligibility and benefit amounts for all requested programs. BAM 105 (January 2014), p. 16. The Department records and documents each eligibility determination for which it certifies approval or denial on the system certification screen. BAM 105, p. 17. Upon certification, the Department automatically sends a notice of case action, information the client of the decision. BAM 105, p. 17. The Department sends a DHS-1605, Client Notice, informing the client of the outcome of his/her DSS request. BEM 232, p. 7.

Based on the foregoing information and evidence, the Department failed to process Claimant's DSS request for vehicle repair services. Even though Claimant's DSS request and request for hearing are on the same date, the subsequent actions by the Department determined that it failed to process the application.

First, the Department testified that it never processed Claimant's DSS request because it did not receive the necessary documents. As such, the Department should have sent Claimant a VCL requesting proof of employment and insurance. BAM 130, p. 3. The Department failed to send Claimant a VCL in order to complete the application process for the DSS request. See BAM 130, p. 3.

Second, even if Claimant failed to provide the necessary verifications, the Department should have then processed Claimant's DSS request by sending a DHS-1605, Client Notice, informing the client of the outcome of his request. See BEM 232, p. 7. Instead, the Department still has not processed Claimant's DSS request as of today's hearing because it is awaiting the necessary documentation. This is the incorrect procedure by the Department. As stated in policy, the Department determines eligibility and benefit amounts for all requested programs. BAM 105, p. 16. Upon certification, the Department automatically sends a notice of case action informing the client of the decision. BAM 105, p. 17. Moreover, as stated above, DSS policy even states that a DHS-1605 has to be sent to the Claimant informing them of the outcome. See BEM 232, p. 7. As such, the Department failed to process Claimant's DSS request because it never sent a notice of case action informing the client of the decision. See BAM 105, p. 17 and BEM 232, p. 7.

Accordingly, the Department will process Claimant's DSS request for vehicle repairs services dated March 20, 2014, in accordance with Department policy.

DECISION AND ORDER

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 did not act in accordance with Department policy when it failed to process Claimant's DSS request for vehicle repair services dated March 20, 2014.

Accordingly, the Department's DSS 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. Initiate registration and processing of Claimant's DSS request for vehicle repair services dated March 20, 2014;
2. Begin issuing supplements to Claimant for any DSS benefits he was eligible to receive but did not from the date of application; and

3. Begin notifying Claimant in writing of its DSS decision in accordance with Department policy.



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

Date Signed: May 6, 2014

Date Mailed: May 6, 2014

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

EJF/cl

CC: [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]