

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

**IN THE MATTER OF:**



Reg. No.: 201434882  
Issue No(s): 3002  
Case No.: [REDACTED]  
Hearing Date: May 21, 2014  
County: Wayne (19)

**ADMINISTRATIVE LAW JUDGE:** Alice C. Elkin

**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 May 21, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Assistance Payment Worker.

**ISSUE**

Did the Department properly close Claimant's Food Assistance Program (FAP) case for failure to verify checking account?

**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. In connection with a redetermination, Claimant submitted a copy of the transaction history for her checking account.
3. On March 14, 2014, the Department sent Claimant a Verification Checklist (VCL) requesting, in part, current statement from her bank or financial institution or verification of assets, DHS-20, by March 24, 2014.
4. On March 20, 2014, Claimant submitted another copy of the transaction history of her checking account.

5. On March 31, 2014, the Department sent Claimant a Notice of Case Action notifying her that her FAP case would close effective April 1, 2014 because she had failed to verify her checking account.
6. On April 8, 2014, Claimant filed a request for hearing 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).

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, the Department closed Claimant's FAP case effective April 1, 2014 for failure to verify checking account. At the hearing, the Department explained that Claimant had included a copy of her checking account transaction history with her redetermination. However, because the transaction history showed an inconsistency, specifically a reference to an available balance of \$11,734.68, the Department sent Claimant the March 14, 2014 VCL requesting verification of her checking account through a current statement from bank or financial institution or DHS-20, Verification of Assets. Claimant responded to the VCL by submitting a more current transaction history for her checking account. Finding that there continued to be an inconsistency due to the reference to an available balance of \$12,079.20 on the transaction history, the Department sent Claimant a March 31, 2014 Notice of Case Action closing Claimant's FAP case effective April 1, 2014.

Department policy provides that before determining eligibility the Department must give the client a reasonable opportunity to resolve any discrepancy between his statements and information from another source. BAM 130 (April 2014), p. 8. At the hearing, the Department explained that, after finding that the transaction history Claimant provided with her redetermination was unclear, the Department sent out the VCL requesting additional verification. Claimant responded to the VCL by providing another transaction history for her checking account. Although the Department worker testified that she called Claimant prior to sending the VCL and left a voicemail message concerning the problem with the history, Claimant credibly testified that she did not receive a call. She further testified that she responded to the VCL with another transaction history because she concluded that she may have failed to include verification of her checking account

with her redetermination. Also, Claimant testified that the transaction history was what an employee at her financial institution provided when she requested a bank statement for the Department's use.

Because Claimant attempted to comply with the VCL and was not aware of the issue concerning the first verification she provided, 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 closed Claimant's FAP case.

**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. Reinstate Claimant's FAP case effective April 1, 2014;
2. Reprocess Claimant's FAP redetermination;
3. Issue supplements to Claimant for FAP benefits she was eligible to receive but did not from April 1, 2014, ongoing; and
4. Notify Claimant in writing of its decision.

  
**Alice C. Elkin**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: May 28, 2014

Date Mailed: May 28, 2014

**NOTICE OF APPEAL:** A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides or has its principal place of business in the State, 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

ACE/tlf

cc:

