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

IN THE MATTER OF:

Reg. No.: Issue No.: Case No.: Hearing Date: County:

15-006373 3008

May 27, 2015 MACOMB-DISTRICT 12 (MT CLEMENS)

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

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; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on May 27, 2015, from Detroit, Michigan. Participants on behalf of Claimant included the Claimant. Participants on behalf of the Department of Health and Human Services (Department) included **Exercise 1**, Hearing Facilitator.

ISSUE

Did the Department properly close the Claimant's Food Assistance (FAP) due to failure to verify checking account assets?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

- 1. The Claimant at the hearing on the record withdrew her hearing requests dated April 21, 2015 for hearings regarding Medicaid, Child Development and Care and State Emergency Relief.
- 2. The Department issued a Notice of Case Action on January 29, 2015 closing the Claimant's FAP case listing failure to verify bank account savings, loss of employment, earned income payment, missing check stubs and bank account checking. The Claimant is not challenging the FAP closure.
- 3. Based upon information in Bridges the Department wanted information regarding the status of a second and two second bank accounts. The Department did not receive any information on these accounts. The Verification

Checklist requested current statement from bank or financial institution (savings club Christmas Club Account and current statement from bank or financial institution (checking account). Exhibit A.

- 4. The Claimant reapplied for FAP on March 25, 2015. The Department sent the Claimant a Verification Checklist on April 1, 2015 with an April 13, 2015 due date. Exhibit A.
- 5. The Claimant timely submitted a verification of bank account information regarding . The Claimant provided all of the requested verifications except information for bank accounts other than **except**.
- 6. The Claimant's and and accounts are all closed and Claimant was not advised by the Department that these accounts were required to be verified and the Department did not ask for information for closed accounts.
- The Department sent a Notice of Case Action on April 14, 2015 denying Claimant's application for failure to provide verifications of bank account information. Exhibit B.
- 8. The Claimant filed a hearing request on April 21, 2015 requesting a hearing on CDC, Medicaid, SER and FAP.

CONCLUSIONS OF LAW

Department policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Department of Health and Human Services Bridges Eligibility Manual (BEM), Department of Health and Human Services Reference Tables Manual (RFT), and Department of Health and Human Services Emergency Relief Manual (ERM).

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, 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 Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

In this case, the Department closed the Claimant's food assistance case due to Claimant's failure to provide the Department the requested bank account information it sought based upon changes noted in an SER application filed by Claimant on January 15, 2015. The Department issued a Notice of Case Action on January 29, 2015 closing the Claimant's FAP case listing failure to verify bank account savings, loss of employment, earned income payment, missing check stubs and bank account checking. The Verification Checklist sent to the Claimant requested: current statement from bank or financial institution (savings club Christmas Club Account and current statement from

bank or financial institution (checking account). Exhibit A. The Verification Checklist did not request closed account information and there was no way to know what the Department wanted. The Claimant also complied and provided all other information and, in fact, based upon the language of the Verification Checklist, actually complied with the request and gave the Department what it had asked for, current information.

Based upon the evidence presented and the testimony of the parties, it is determined that the Department improperly denied the Claimant's FAP application for failure to verify information. The Department, therefore, is required to reregister the March 25, 2015 application and process the application to determine eligibility. The Department should also specifically advise the Claimant what closed bank account information is needed. BAM 130 (October 10, 2014) p. 1.

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 denied the Claimant's FAP application.

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. The Department shall reregister the March 25, 2015 application and process the application to determine eligibility.
- 2. The Department shall also advise the Claimant what additional bank account information it needs with specificity.

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Lynn M. Ferris Administrative Law Judge for Nick Lyon, Director Department of Health and Human Services

Date Signed: 6/5/2015

Date Mailed: 6/5/2015 LMF / cl **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 copy of the claim or application for appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Hearing Decision from MAHS within 30 days of the mailing date of this Hearing Decision, or MAHS <u>MAY</u> order a rehearing or reconsideration on its own motion. MAHS <u>MAY</u> 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:	