

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

IN THE MATTER OF:

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████████████████████

Reg. No.: 15-007590
Issue No.: 3002, 2001, 6001
Case No.: ██████████
Hearing Date: June 15, 2015
County: WAYNE 41 (FORT WAYNE)

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 June 15, 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 ██████████ Hearing Facilitator, and ██████████, FIM.

ISSUE

Did the Department properly find the Claimant eligible for Medical Assistance for the correct month?

Did the Department properly deny the Claimant's Food Assistance Application?

Did the Department properly deny the Claimant's CDC benefits Application?

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 applied from Medical Assistance on December 30, 2014.
2. The Claimant stopped working on January 31, 2015. The Claimant was also working in December 2014.
3. The Claimant was found eligible for Medical Assistance as of January 1, 2015; however, she applied on December 30, 2014. The Department was unaware of

any reason Claimant was not found eligible for medical assistance for December 2014.

4. The Claimant applied for CDC benefits on December 30, 2014. The Department's Hearing Summary denied the Claimant's application for CDC for failure to return both pages of the provider form DHS 4025. The Claimant's CDC was denied by Notice of Case Action dated February 23, 2015 as of December 28, 2014. The Notice of Case Action bases its denial of the application due to lack of need as the basis for the CDC Denial. The Claimant submitted the CDC provider form on February 5, 2015. The provider form was sent to the Claimant through the mail. There was no date available as to when the Department sent Claimant the provider form. The form was printed on January 28, 2015. Exhibit 1.
5. The Department sought a verification of Claimant's husband's loss of employment dated January 26, 2015 with a February 9, 2015 due date. The verification requested proof of loss of employment.
6. The Department denied the Claimant's Food Assistance Application on February 23, 2015 effective December 30, 2014 due to Claimant's alleged failure to provide verification of Claimant's husband's loss of employment. Exhibit 1.
7. The Claimant requested a hearing on May 11, 2015 protesting the Department's failure to process her CDC and FAP applications which were denied February 23, 2015.

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.

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 Department

of Human Services) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

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 9858q; 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.

In this case, the Department conceded that the Claimant's Medical Assistance eligibility should be redetermined as the Claimant applied for Medical Assistance on December 30, 2014 but the Department began MA coverage for January 2015. Thus, there is nothing remaining to be decided and the Department will be required to reprocess the Medical Assistance.

The Department denied the Claimant's FAP application, but at the hearing conceded it should have been processed for December 30, 2014 because the Claimant credibly testified that all the information was provided and the caseworker was aware that the Claimant's spouse did not lose employment, but that the employer change the company name. Exhibit 1. Even though the Food Assistance was denied, the Department continued to accept additional verifications regarding employment. The Department could not explain why these were requested. The Claimant provided written proof from the employer regarding the name change of the company to her caseworker on several occasions. Because the Department could not rebut this credible testimony of the Claimant and did not have the case file at the hearing, the Department did not substantiate its reasons for denying the FAP application and did not meet its burden of proof.

As regards the CDC, application denial, it appears that the Claimant ended her employment on January 30, 2015. A provider form was printed and one was received by the Claimant sometime around the end of January 2015 and returned by the Claimant on February 5, 2015. At the time of the application the Department is required to verify need. The Claimant indicated her employer on the CDC application, and it appears that the Claimant had a need through January 30, 2015, when her employment ended. No verification of Claimant's employment was presented by the Department at the hearing. No verification regarding the provider had been sought by the Department. It is unclear whether the provider in question was licensed or unlicensed and thus it could not be determined whether the Department correctly sought verification and determined whether there was a need, if any, during the month of January 2015. Basically although the Claimant returned a provider form which was missing one page, the Department did not deny the application on failure to verify but rather on need. No explanation regarding the discrepancy of the Department's Hearing Summary and the Notice of Case Action denial for lack of need was explained. It also does not appear

that the Department sought from the Claimant the first page of the provider verification which was sent to the Department by the Claimant by email with an attachment.

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

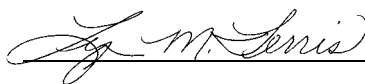
- a. did not act in accordance with Department policy when it processed the Claimant's MA application for January 2015 without regard to the application filing month of December 2014;
- b. did not act in accordance with Department policy when it denied the FAP application for failure to verify the loss of employment of Claimant's spouse;
- c. failed to satisfy its burden of showing that it acted in accordance with Department policy when it denied the Claimant's CDC application for need.

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 reprocess the Claimant's MA application dated December 30, 2014 and determine Claimant's eligibility for December 2014.
2. The Department shall re-register the Claimant's December 30, 2014 CDC application and determine eligibility for January 1, 2015 through January 30, 2015 and advise the Claimant of its decision.
3. The Department shall re-register the December 30, 2014 FAP application and determine eligibility from December 30, 2014 ongoing.



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

Date Signed: **6/25/2015**

Date Mailed: **6/25/2015**
LMF / cl

