### 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: 15-007931 3002

June 30, 2015 Oakland-District 2

### ADMINISTRATIVE LAW JUDGE: Kevin Scully

### **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, telephone hearing was held on June 30, 2015, from Lansing , Michigan. Participants on behalf of Claimant included and the claimant. Participants on behalf of the Department included and the claimant. Participants on behalf of the Department included and the claimant. Participants on behalf of the Department for the Claimant. Participants on behalf of the Department for the Department included and the claimant. Participants on behalf of the Department for the Dep

# <u>ISSUE</u>

Did the Department of Health and Human Services (Department) properly close the Claimant's Food Assistance Program (FAP) benefits?

# 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 was an ongoing Food Assistance Program (FAP) recipient.
- 2. On February 10, 2015, the Department sent the Claimant a Redetermination (DHS-1010).
- 3. On March 3, 2015, the Claimant completed an online Redetermination.
- On March 11, 2015, the Department sent the Claimant a Verification Checklist (DHS-3503) requesting verification of the self-employment income he reported on his Redetermination by March 23, 2015.
- 5. On March 11, 2015, the Department sent the Claimant three Self-Employment Income and Expenses Statement (DHS-431) forms.

- 6. On March 31, 2015, the Department notified the Claimant that it would close his Food Assistance Program (FAP) benefits effective April 1, 2015.
- 7. On May 13, 2015, the Department received the Claimant's request for a hearing protesting the closure of his Food Assistance Program (FAP) benefits.

# 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.

Clients must cooperate with the local office in determining initial and ongoing eligibility and this includes the completion of necessary forms. Department of Human Services Bridges Assistance Manual (BAM) 105 (April 1, 2015), p 5.

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. The Department uses documents, collateral contacts, or home calls to verify information. A collateral contact is a direct contact with a person, organization, or agency to verify information from the client. When documentation is not available, or clarification is needed, collateral contact may be necessary. Department of Human Services Bridges Assistance Manual (BAM) 130 (October 1, 2014), pp 1-9.

The Claimant was an ongoing FAP recipient when the Department initiated a routine review of her eligibility to receive continuing benefits. On February 10, 2015, the Department sent the Clamant a Redetermination (DHS-1010) and scheduled a telephone interview for March 3, 2015.

The Department initially called the Claimant despite her husband's request to have the Department call him for the Redetermination interview. Eventually, the Department contacted the Claimant's husband by telephone and informed him that the entire Redetermination (DHS-1010) had not been received.

The Claimant's husband corrected this problem by completing an online Redetermination on March 3, 2015. After processing the information submitted by the Claimant's husband, the Department sent the Claimant a Verification Checklist (DHS-3503) and three Self-Employment Income and Expenses Statement (DHS-431) forms. The Department requested verification of the Claimant's income by March 23, 2015.

The Claimant's husband made an attempt to provide verification of his self-employment income but again the Department did not receive the entire forms. The Claimant's husband failed to include his signature on the DHS-431 forms he submitted.

On March 31, 2015, after not receiving sufficient verification of countable income, the Department notified the Claimant that it would close her FAP benefits effective April 1, 2015, for failure to provide the Department with information necessary to determine her eligibility to receive benefits.

The Claimant's husband argued that the Department failed to handle their case properly. The Claimant's husband testified that he was willing to provide the Department with the information that was requested and that the Department should have communicated with him more closely to ensure that all of the necessary information was submitted.

The Claimant's husband did not dispute that he had a duty to provide the Department with the information necessary to determine his eligibility for continuing benefits or that all of the material he submitted was not complete. The Claimant's husband testified that the Department had no reason to believe that they were not eligible for continuing benefits and that a fair outcome would have resulted from a more lenient handling of their benefits case.

The husband's request for leniency is not within the scope of authority delegated to this Administrative Law Judge. Administrative Law Judges have no authority to exceptions to the Department policy set out in the program manuals. Furthermore, administrative adjudication is an exercise of executive power rather than judicial power, and restricts the granting of equitable remedies. Michigan Mutual Liability Co. v Baker, 295 Mich 237; 294 NW 168 (1940).

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 acted in accordance with Department policy when it closed the Claimant's Food Assistance Program (FAP) benefits after insufficient information to determine their eligibility to receive continuing benefits was submitted to the Department in a timely manner.

### DECISION AND ORDER

Accordingly, the Department's decision is **AFFIRMED**.

Kevin Kevin Scullv Administrative Law Judge for Nick Lyon, Director

Department of Health and Human Services

Date Signed: 7/1/2015

Date Mailed: 7/1/2015

KS/las

**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 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 <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

