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

#### IN THE MATTER OF:



Reg. No.:15-0Issue No.:2002Case No.:Image: County:Hearing Date:AugeCounty:Way

15-012758 2002;3002

August 27, 2015 Wayne-District 57

## ADMINISTRATIVE LAW JUDGE: Zainab Baydoun

## 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 August 27, 2015, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Health and Human Services (Department) included \_\_\_\_\_\_\_, Eligibility Specialist and \_\_\_\_\_\_, Family Independence Manager.

## <u>ISSUE</u>

Did the Department properly close Claimant's Food Assistance Program (FAP) and Medical Assistance (MA) cases on the basis that she failed to return requested verifications?

## 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 and MA benefits.
- 2. On May 1, 2015, the Department sent Claimant a Wage Match Client Notice (Wage Match) which instructed her to have the form completed by her employer and returned to the Department by June 1, 2015. (Exhibit A, pp. 4-5)
- 3. On June 5, 2015, the Department sent Claimant a Notice of Case Action informing her that effective July 1, 2015, her FAP case would be closed on the basis that she failed to verify requested information. (Exhibit A, pp. 7-10)

- 4. On June 6, 2015, the Department sent Claimant a Health Care Coverage Determination Notice informing her that effective July 1, 2015, her MA case would be closed on the basis that she failed to verify requested information. (Exhibit A, pp. 11-14)
- 5. On July 15, 2015, Claimant requested a hearing disputing the Department's actions.

# 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 Department routinely matches recipient employment data with the Michigan Department of Energy, Labor & Economic Growth Unemployment Insurance Agency (UIA) through computer data exchange processes. These data exchanges assist in the identification of potential current and past employment income. BAM 802 (July 2014), p 1. When there is a discrepancy between the wage match information and the client's work history stated on an application or other information in the client's case record, the Department must request verification from the client by sending a Wage Match Client Notice (Wage Match). BAM 802, pp. 1-2. If verifications are not returned by the 30th day, the case will close for a minimum of 30 days after appropriate actions are taken in the Department's system unless the client returns verifications. BAM 802, p 2.

In this case, the Department stated that although Claimant did return the Wage Match, it was completed by Claimant and not her employer. The Department testified that

because Claimant's employer did not complete and sign the Wage Match, it was considered incomplete and could not be accepted. The Department initiated the closure of Claimant's FAP and MA cases effective July 1, 2015. The Department stated that it received a letter from Claimant's employer on July 2, 2015, indicating that Claimant has not been employed with the company since February 2014; however, Claimant's FAP and MA cases had already closed. (Exhibit A, p. 15).

At the hearing, Claimant confirmed receiving the Wage Match and stated that she completed the form herself and submitted it to the Department in mid May 2015. Claimant testified that she had not been employed with that company since February 2014 and that she had previously informed the Department of her loss of employment. Claimant testified that she attempted to contact her employer to request her final paystubs or a letter verifying that she was not employed there but did not receive a response from the employer. Claimant stated that she was finally able to get a letter from the employer on June 26, 2015, which the Department received on July 2, 2015.

Although the Department is not to terminate assistance because an employer or other source refuses to verify income, in this case, there was no evidence presented that Claimant informed the Department of her old employer's refusal to assist in verifying the income and loss of employment prior to the closure of her FAP and MA cases. BEM 501 (July 2014), p.9. Claimant confirmed that she did not provide the Department with the requested information until after she received the Notices of FAP and MA case closures.

Therefore, because the Wage Match clearly instructs Claimant to have the form completed by her employer, and because the Department did not receive sufficient information concerning Claimant's loss of employment prior to the 30<sup>th</sup> day reflected on the Wage Match, 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 Claimant's FAP and MA cases. Claimant is informed that she is entitled to submit a new application for FAP and MA benefits and have her eligibility determined.

## **DECISION AND ORDER**

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

Lamab Raydown

Zainab Baydoun Administrative Law Judge for Nick Lyon, Director Department of Health and Human Services

Date Signed: 9/4/2015

Date Mailed: 9/4/2015

ZB / tlf

**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

Page 5 of 5 15-012758 ZB

