

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

IN THE MATTER OF:



MAHS Reg. No.: 15-016697
Issue No.: 3008, 2001
Agency Case No.: [REDACTED]
Hearing Date: October 29, 2015
County: GENESEE-UNION ST
DISTRICT

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 October 29, 2015, from Lansing, Michigan. Participants on behalf of Claimant included the Claimant's mother [REDACTED], after receiving authorization from the Claimant for her mother to act as her representative while on the record. [REDACTED] (Eligibility Specialist/Hearing Facilitator) represented the Department of Health and Human Services (Department).

ISSUE

Did the Department of Health and Human Services (Department) properly determine the Claimant's eligibility for Food Assistance Program (FAP) and Medical Assistance (MA) 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 Medical Assistance (MA) and Food Assistance Program (FAP) recipient.
2. On July 1, 2015, the Department received the Claimant's application for Child Development and Care (CDC) and Family Independence Program (FIP) benefits.
3. On July 2, 2015, the Department sent the Claimant a Verification Checklist (DHS-3503) requesting verification of her housing expenses by July 13, 2015.

4. On August 14, 2015, the Department notified the Claimant that she was approved for Food Assistance Program (FAP) benefits with a \$203 allotment of benefits, but did not include any housing expenses.
5. On August 14, 2015, the Department notified the Claimant that it would close her Medical Assistance (MA) and place her in another category of Medical Assistance (MA).
6. On September 10, 2015, the Department received the Claimant's request for a hearing.

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 (July 1, 2015), p 8.

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 (July 1, 2015), pp 1-9.

Verify shelter expenses at application and when a change is reported. If the client fails to verify a reported change in shelter, remove the old expense until the new expense is verified. Department of Health and Human Services Bridges Eligibility Manual (BEM) 554 (October 1, 2015), p 14.

In this case, the Claimant was an ongoing Food Assistance Program (FAP) recipient when the Department received her application for Child Development and Care (CDC) and Family Independence Program (FIP) benefits. This application indicated a change of residence. On July 2, 2015, the Department sent the Claimant a Verification Checklist (DHS-3503) requesting verification of housing expenses by July 13, 2015. The Department received some documentation of expenses, but on August 14, 2015, the Department approved the Claimant for a \$ [REDACTED] monthly allotment of FAP benefits giving her credit for \$ [REDACTED] housing expenses.

The Department is required by BEM 554 to remove any unverified housing expenses from its determination of eligibility for FAP benefits. In this case, the Claimant's representative and mother testified that she pays her the Claimant's housing expenses and that these expenses are billed to her name.

This Administrative Law Judge finds that the verification material submitted on the Claimant's behalf does not sufficiently identify those housing expenses as obligations of the Claimant. Therefore the Department was acting in accordance with BEM 554 when it removed these expenses from her FAP eligibility determination.

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.

On August 14, 2015, the Department notified the Claimant that it was closing her MA benefits and placing her in another category of MA. The Department's representative testified that the change of category was due to the Claimant's income. The Department's representative conceded that the Department may have not applied the Claimant's income towards her MA eligibility properly.

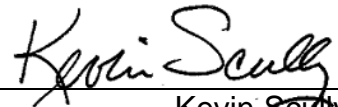
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it determined the Claimant's eligibility for Medical Assistance (MA) as of September 1, 2015.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED IN PART with respect to the Food Assistance Program (FAP) and REVERSED IN PART with respect to Medical Assistance (MA) benefits as of September 1, 2015.

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. Initiate a determination of the Claimant's eligibility for Medical Assistance (MA) as of September 1, 2015.
2. Provide the Claimant with written notice describing the Department's revised eligibility determination.
3. Issue the Claimant any retroactive benefits she may be eligible to receive, if any.



Kevin Scully
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

Date Signed: **11/3/2015**

Date Mailed: **11/3/2015**

KS/■

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 **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 48909-8139

cc:

