

**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.: 15-003603  
Issue No.: 3001  
Case No.: ██████████  
Hearing Date: April 15, 2015  
County: Wayne-District 41 (Fort Wayne)

**ADMINISTRATIVE LAW JUDGE: Alice C. Elkin**

**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, a telephone hearing was held on April 15, 2015, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Health and Human Services (Department) included ██████████, Hearings Coordinator.

**ISSUE**

Did the Department properly deny Claimant's Food Assistance Program (FAP) due to failure to verify?

**FINDINGS OF FACT**

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

1. On January 5, 2015, Claimant applied for FAP.
2. In his application, Claimant indicated he had a ██████████ checking account.
3. Claimant did not have a ██████████ checking account.
4. On January 20, 2015, the Department sent Claimant a Verification Checklist (VCL) requesting, among other things, verification of his checking account by January 30, 2015.
5. Claimant did not submit verification of a checking account by January 30, 2015.

6. On February 3, 2015, the Department sent Claimant a Notice of Case Action notifying him that his FAP application was denied.
7. On March 2, 2015, Claimant filed a request for hearing disputing the Department's actions.

### **CONCLUSIONS OF LAW**

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

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food Stamp Act of 1977, 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 Family Independence Agency) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001 to .3015.

Claimant requested a hearing to dispute the denial of his FAP application. The February 3, 2015 Notice of Case Action notified Claimant that his FAP application was denied because he had failed to verify his rent and checking account. At the hearing, the Department testified, although Claimant did in fact timely submit verification of rent, because he did not timely submit verification of his checking account, his application was properly denied.

In order to be eligible for FAP, a client may not have assets in excess of the asset limit. BEM 400 (January 2015), pp. 1, 14. For FAP, the asset limit is \$5000. BEM 400, p. 5. The Department must verify assets at application, redetermination and when a change is reported. BEM 400, p. 56.

In this case, because Claimant indicated in his application that he had a Comerica checking account, the Department sent the January 20, 2015 VCL requesting verification of the account by January 30, 2015. During conversations with Claimant prior to the January 30, 2015 VCL due date, the Department became aware that Claimant did not have a checking account with Comerica or any other financial institution. Rather, Claimant had a [REDACTED] vendor debit card issued by Comerica in which his social security benefits were deposited. The amount of money in a vendor pre-paid debit card, like a [REDACTED] card, is an asset for FAP purposes. BEM 400, p. 16. Therefore, Claimant was required to verify the cash in his [REDACTED] [REDACTED] debit card.

A vendor pre-paid debit card may be verified through a statement from the vendor or online printout which reflects the current account balance. BEM 400, p. 61. Claimant testified that his Department worker told him how to obtain the verification and advised him that it would take 30 days for a request for a statement to be processed. However, when the Department did not receive the verification, it denied Claimant's application on February 10, 2015.

Department policy provides that a FAP application is denied once the VCL due date has passed. BAM 130 (October 2014), pp 6-7. However, if the client provides the requested verification within 60 days of the application date, the Department must reregister and process the application. BAM 115 (January 2015), p. 23. If the verifications are submitted on or before the 30<sup>th</sup> day after the application date, the application is reregistered using the original application date and, if the client is eligible, benefits are issued from the application date. BAM 115, p. 23. If verifications are submitted between the 31<sup>st</sup> and 60<sup>th</sup> day, the application is reregistered using the date the client completed the process and, if the client is eligible, benefits are prorated from the date the client complied. BEM 115, p. 23.

In this case, Claimant complied with the Department's instructions to request a statement from Direct Express. However, he provided the statement to the Department at the April 15, 2015 hearing. Because Claimant did not provide the verification to the Department by the VCL due date or prior to the issuance of the February 3, 2015 Notice of Case Action, the Department acted in accordance with Department policy when it denied Claimant's January 5, 2015 application. Because Claimant did not provide the statement to the Department by March 6, 2015, the date 60 days from his January 5, 2015 application, the Department was not required to reprocess Claimant's FAP application.

Claimant is advised to reapply for FAP benefits.

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 denied Claimant's January 5, 2015 FAP application.

**DECISION AND ORDER**

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



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**Alice C. Elkin**  
Administrative Law Judge  
for Nick Lyon, Director  
Department of Health and Human Services

Date Signed: **4/21/2015**

Date Mailed: **4/21/2015**

ACE / 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 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: [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]