

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 15-013284
Issue No.: 3001
Case No.: [REDACTED]
Hearing Date: September 10, 2015
County: Genesee-District 6

ADMINISTRATIVE LAW JUDGE: Carmen G. Fahie

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, an in-person hearing was held on September 10, 2015, from Flint, Michigan. Participants on behalf of Claimant included the Claimant and her authorized representative, [REDACTED], paralegal, [REDACTED]. Participants on behalf of the Department of Health and Human Services (Department) included [REDACTED], Hearing Facilitator.

ISSUE

Did the Department properly determine the Claimant's eligibility for Food Assistance Program (FAP) benefits based on an income change?

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 May 28, 2015, the Claimant reported to her Department Caseworker a job stoppage for her significant other.
2. On June 9, 2015, the Claimant submitted to the Department verification of the employment ended for her significant other.
3. On June 11, 2015, the Department sent the Claimant a notice that the income was removed and her FAP would increase for the month of July 2015.
4. On July 17, 2015, the Department received a hearing request from the Claimant contesting the Department's negative action.

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.

In this case, the Claimant was a recipient of FAP benefits. On May 28, 2015, the Claimant reported to her Department Caseworker a job stoppage for her significant other. On June 9, 2015, the Claimant submitted to the Department verification of the employment ended for her significant other. On June 11, 2015, the Department sent the Claimant a notice that the income was removed and her FAP would increase for the month of July 2015. On July 17, 2015, the Department received a hearing request from the Claimant contesting the Department's negative action. BEM 500, 505, 550, 212, 501, 554, and 556. BAM 105, 130, 220, and 600.

During the hearing, the Claimant's Authorized Representative argued that the benefits should have been increased for the month of June 2015 not July 2015 because the Claimant reported the job stoppage in May 28, 2015. She turned in the required verifications within 10 days without waiting for verification checklist from the Department Caseworker. As a result, the date should be retroactive to May 28, 2015 affecting June 2015 benefits. The Department Caseworker countered that even though the Claimant reported job stoppage on May 28, 2015 with the 10 days allowed for the change since it was after the first of the month then the next month affected would be July 2015. Even with the Claimant submitting the verification in less than 10 days without a verification checklist and being submitted on June 9, 2015, the change would be reflected in July 2015 benefits not June 2015 benefits.

BAM 220 CASE ACTIONS, page 7-8

All Other Reported Changes

FAP Only

Act on a change reported by means other than a tape match within 10 days of becoming aware of the change.

Benefit Increases: Changes which result in an increase in the household's benefits must be effective no later than the first allotment issued 10 days after the date the change was reported, provided any

necessary verification was returned by the due date. A supplemental issuance may be necessary in some cases. If necessary verification is **not** returned by the due date, take appropriate action based on what type of verification was requested. If verification is returned late, the increase must affect the month after verification is returned.

Example: Rich reports on March 23rd that he now has a shelter expense. Act on the change by April 2nd. May's benefits will be the first month affected because the 10th day after the change is reported falls in the next benefit period. Affect the April issuance if the action can be completed by March 31st.

If verification is required or deemed necessary, allow the household 10 days from the date the change is reported to provide the verification. The change must still affect the correct issuance month. For example, the first benefit month occurring 10 days after the date the change was reported.

Example: Rich reports a shelter change on March 21st. However, verification of his new shelter obligation is requested late on March 23rd. Rich provides the verification on April 2nd. Make the change to affect April's benefits by using a supplemental issuance.

If verification is required or deemed necessary but the client fails to return the verification within 10 days after the change was reported, but does provide the verification at a later date, act on the change within 10 days after the verification is provided.

Example: Using the previous example, Rich does not supply the shelter verification until April 6th. Act on the change by April 16th to affect May's benefits. No supplement is issued for April, due to Rich's failure to return the verification within 10 days.

EFFECTIVE DATE OF CHANGE

All Programs

Bridges evaluates the following dates entered in data collection to determine positive action dates, negative action dates and effective dates:

- Circumstance start/change date.
- Reported on.
- Verification received on.
- Date client became aware.

FIP, RCA, SDA and FAP Only

See BEM 505 for policy regarding effective dates for income changes.

**BEM 505, PROSPECTIVE BUDGETING/INCOME CHANGE PROCESSING-
page 11-12**

FAP

Income decreases that result in a benefit increase must be effective no later than the first allotment issued 10 days after the date the change was reported, provided necessary verification was returned by the due date. Do **not** process a change for a month earlier than the month the change occurred. A supplement may be necessary in some cases.

Example 1: On 10/17, the client reports she will miss one week of work in November due to her son's surgery so will not receive a paycheck on 11/19. On 10/21, client returns required verifications. Complete a budget to increase November benefits, reflecting zero income for 11/19. Complete another budget for December, using a full month's income since the income change will only affect November.

Example 2: On 11/18, Jan reports there will be a permanent reduction in work hours starting 11/23. Verifications are returned 11/26. Complete a budget to affect December benefits.

If verification is required or deemed necessary, you must allow the household 10 days from the date the change is reported or the date you request verification to provide verification. **The change must still affect the correct issuance month i.e., the month after the month in which the 10th day after the change is reported.**

Example 3: Using the previous example, you request verification on 11/25. Jan provides the verification on 12/2. You must make the change to affect December's benefits by issuing a supplement.

If necessary verification is not returned by the due date, put the case into negative action. If verification is returned late, but before case closure, you must act within 10 days from the date the verification is returned. The increase must affect no later than the first allotment issued 10 days after the date the verification was returned.

Example 4: Using the same example, Jan fails to provide the verifications by the requested due date. On 11/28, the case is put into negative action to close. Jan provides the requested verification on 12/7, before the negative action pends period has expired. You must act on the change within 10 days from the date the verification is returned to affect January's benefits.

After a review of the policy and the testimony provided during the hearing, this Administrative Law Judge finds that the Claimant reported the job loss on May 28, 2015. The Department had 10 days to act as this was a FAP case, which was June 8, 2015. The Claimant, on her own without verification checklist, submitted the written verification for job loss on June 9, 2015. Since this action was completed in the following month after the 1st of June 2015, the change affects the next benefit month of July 2015. If the 10 days for the Department's action was within the same month, then the Department is required to issue a supplement when they submit the change in the following month. In

this case, the action was completed after the 1st of next month of June 2015, resulting in the change affecting the benefit month of July 2015.

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 processed the Claimant's change in income reported on May 28, 2015 with verifications submitted on June 9, 2015 for the next benefit month of July 2015.

DECISION AND ORDER

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



Carmen G. Fahie
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

Date Signed: **9/18/2015**

Date Mailed: **9/18/2015**

CGF/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 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 **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:

