

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 15-013814  
Issue No.: 1000; 1001; 2000; 3002  
Case No.: [REDACTED]  
Hearing Date: September 17, 2015  
County: MACOMB-DISTRICT 20

**ADMINISTRATIVE LAW JUDGE: Eric Feldman**

**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 September 17, 2015, from Detroit, Michigan. Participants on behalf of Claimant included Claimant, [REDACTED]. Participants on behalf of the Department of Health and Human Services (Department or MDHHS) included [REDACTED], Hearings Facilitator.

**ISSUE**

Did the Department properly deny Claimant's Food Assistance Program (FAP) application effective June 16, 2015, ongoing?

**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 [REDACTED], Claimant applied for Cash (Family Independence Program (FIP)), FAP, and Medical Assistance (MA) benefits.
2. On [REDACTED] the Department sent Claimant a Verification Checklist (VCL), which was due back by [REDACTED]. See Exhibit A, pp. 3-4. Specifically, the VCL requested verification of Claimant's wages, loss of employment, home rent, and checking account. See Exhibit A, pp. 3-4.
3. Claimant submitted verification of the home rent and checking account timely; however, she did not submit verification of the wages and loss of employment until on or around [REDACTED].

4. On [REDACTED], the Department sent Claimant a Notice of Case Action notifying her that her FAP benefits were denied effective [REDACTED], ongoing, due to her failure to submit verification of the loss of employment and wages. See Exhibit A, pp. 5-6. Moreover, the Notice of Case Action informed Claimant that her FIP application was denied effective [REDACTED], ongoing, due to excess income. See Exhibit A, pp. 5-6.
5. On [REDACTED], Claimant filed a hearing request, protesting her FAP, FIP, and MA benefits. See Exhibit A, p. 2.

### **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 Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Department of Human Services) administers FIP pursuant to 45 CFR 233-260, MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3101-.3131.

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.

### **Preliminary matters**

First, Claimant and the Department acknowledged that she is receiving ongoing MA – Healthy Michigan Plan (HMP) coverage. Thus, Claimant no longer disputes her MA benefits. As such, Claimant’s MA hearing request is DISMISSED.

Second, Claimant testified that she understood the actions the Department took in denying the Cash (FIP) application and she is not disputing the Cash (FIP) denial. As such, the undersigned finds that the Department properly denied Claimant's Cash (FIP) application effective [REDACTED], ongoing.

### **FAP application**

On [REDACTED], Claimant applied for FAP benefits. On [REDACTED], the Department sent Claimant a VCL, which was due back by [REDACTED]. See Exhibit A, pp. 3-4. Specifically, the VCL requested verification of Claimant's wages, loss of employment, home rent, and checking account. See Exhibit A, pp. 3-4.

Clients must cooperate with the local office in determining initial and ongoing eligibility. BAM 105 (July 2015), p. 8. This includes completion of necessary forms. BAM 105, p. 8.

For FAP cases, the Department allows the client 10 calendar days (or other time limit specified in policy) to provide the verification that is requested. BAM 130 (July 2015), p. 6. Verifications are considered to be timely if received by the date they are due. BAM 130, p. 6. For electronically transmitted verifications (fax, email or Mi Bridges document upload), the date of the transmission is the receipt date. BAM 130, p. 6. Verifications that are submitted after the close of regular business hours through the drop box or by delivery of a MDHHS representative are considered to be received the next business day. BAM 130, p. 6. The Department sends a negative action notice when: the client indicates refusal to provide a verification, or the time period given has elapsed and the client has not made a reasonable effort to provide it. BAM 130, p. 7.

In this case, Claimant submitted verification of the home rent and checking account timely; however, she did not submit verification of the wages and loss of employment timely. The Department testified that it received verification of the wages and loss of employment on [REDACTED]. Claimant testified that she submitted verification of her wages online (Mi Bridges) on [REDACTED] and agreed with the Department that the verification of the loss of employment was received on [REDACTED].

Based on the above information and evidence, the Department acted in accordance with Department policy when it denied Claimant's FAP application based on her failure to comply with the verification requirements. See BAM 105, p. 8; BAM 130, pp. 6-7; and Exhibit A, pp. 5-6. Claimant ultimately completed the application process when the Department received the loss of employment on [REDACTED] 015, which was after the VCL due date of [REDACTED].

Nevertheless, the Department should have re-registered and reprocessed Claimant's application dated [REDACTED] because she completed the application process after the denial but within 60 days after the application date.

For FAP only policy, the Department proceeds as follows when a client completes the application process **after denial** but within 60 days after the application date. BAM 115 (July 2015), p. 23.

**On or before the 30th day:**

- Re-register the application, using the **original** application date.
- If the client is eligible, determine whether to prorate benefits according to initial benefits policy in this item.

**Between the 31st and 60th days:**

- Re-register the application, using the date the client **completed** the process.
- If the client is eligible, prorate benefits from the date the client complied.

BAM 115, p. 23.

In the present case, Claimant completed the application process when she submitted the remaining verifications on [REDACTED]. Because Claimant completed the application process on [REDACTED], this is within 30 days of the original application date of [REDACTED]. Thus, policy directs the Department to re-register the application, using the original application date as the application process was completed after the denial but within 30 days of the application date. See BAM 115, p. 23. The Department is ordered to re-register and reprocess Claimant's application dated [REDACTED], in accordance with Department policy. See BAM 115, p. 23.

**DECISION AND ORDER**

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 (i) acted in accordance with Department policy when it properly denied the Cash (FIP) application effective [REDACTED], ongoing; and (ii) did not act in accordance with Department policy when it failed to re-register and reprocess Claimant's FAP application dated [REDACTED].

Accordingly, the Department's decision is **AFFIRMED IN PART** with respect to Cash (FIP) denial and **REVERSED IN PART** with respect to the FAP subsequent processing.

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 re-registration and reprocessing of Claimant's FAP application dated [REDACTED]
2. Issue supplements to Claimant for any FAP she was eligible to receive but did not from [REDACTED], ongoing; and
3. Notify Claimant of its decision.

**IT IS ALSO ORDERED** that Claimant's **MA** hearing request is **DISMISSED**.



**Eric Feldman**  
Administrative Law Judge  
for Nick Lyon, Director  
Department of Health and Human Services

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

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

EF / hw

**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:

A large black rectangular redaction box covers the names and email addresses listed in the CC field.