

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 15-015286
Issue No.: 2002, 3002
Case No.: [REDACTED]
Hearing Date: October 06, 2015
County: OAKLAND-DISTRICT 2
(MADISON HTS)

ADMINISTRATIVE LAW JUDGE: Gary Heisler

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 October 6, 2015, from Lansing, Michigan. Participants on behalf of Claimant included his authorized hearing representative and benefit group member [REDACTED]. Participants on behalf of the Department of Health and Human Services (Department) included Assistance Payments Worker [REDACTED] and Assistance Payments Supervisor [REDACTED].

ISSUE

Did the Department properly deny Claimant's July 8, 2015, Medical Assistance (MA) and Food Assistance Program (FAP) application?

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 July 8, 2015, Claimant submitted an application for Medical Assistance (MA) and Food Assistance Program (FAP) for his family of six.
2. On July 13, 2015, Claimant was sent a Verification Checklist (DHHS-3503) which requested verification of his checking account and savings account.
3. On July 27, 2015, Claimant was sent a Notice of Case Action (DHHS-1605) which stated his Food Assistance Program (FAP) application was denied.

4. On August 11, 2015, Claimant was sent a Health Care Coverage Determination Notice (DHHS-1606) which stated one member of his family was eligible and the other five were not.
5. On August 20, 2015, Claimant submitted a hearing request and verification from PNC Bank.

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.

During this hearing the Department testified that Claimant's application was denied because he did not submit verification for a PNC Bank account. The [REDACTED] account was not listed on the July 8, 2015 application. The Department testified that they have a record of the [REDACTED] account from a previous period when Claimant received benefits. The July 13, 2015, Verification Checklist (DHHS-3503) does not specify any specific checking or savings accounts for Claimant to verify.

Claimant's authorized hearing representative testified that the [REDACTED] accounts have been closed for a couple of years. Claimant raises the issue that during the 30 days following the application, he was never told he needed to provide verification of bank accounts that had been closed for two years.

Bridges Administration Manual (BAM) 103 Verification and Collateral Contacts (7-1-2015) under Obtaining Verification states "Tell the client what verification is required,

how to obtain it, and the due date.” There is no other section of Department policy which provides any specific guidance on verification of bank accounts.

It is noted that the July 13, 2015, Verification Checklist (DHHS-3503) does specify that three of the group members are required to provide earned income verification and that one member is required to verify loss of employment. The checklist only requires Claimant (Islam) is required to verify his checking and savings accounts. The August 20, 2015 letter from [REDACTED] states that [REDACTED], Claimant’s spouse, has no account at [REDACTED]. The [REDACTED] account number is handwritten on the letter.

The issue in this hearing IS NOT whether the Department should require verification of an account which still shows in their records. The issue is whether or not the Department’s procedure for obtaining that verification complies with their own policy. As noted above, BAM 130 requires the Department to tell the client what verification is required, how to obtain it, and the due date. For bank accounts that are listed on an application, there should be no need to point out their verification requirement to the applicant. However, accounts in the Department’s records which were not listed on an application or otherwise disclosed by the applicant, are a different matter. For accounts of that nature, the plain language in BAM 130 requires that any specific bank accounts the Department wants verified, need to be identified to the applicant.

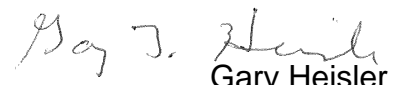
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did not act in accordance with Department policy when it denied Claimant’s July 8, 2015, Medical Assistance (MA) and Food Assistance Program (FAP) application.

DECISION AND ORDER

Accordingly, the Department’s decision is **REVERSED**.

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. Reregister Claimant’s July 8, 2015 application and reprocess it in accordance with Department policy.


Gary Heisler

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

Date Signed: **10/12/2015**

Date Mailed: **10/12/2015**

GFH / ■

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:

