

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

IN THE MATTER OF:

[REDACTED]

MAHS Reg. No.: 15-020641
Issue No.: 3003, 2000
Agency Case No.: [REDACTED]
Hearing Date: January 04, 2016
County: Macomb (20 Warren

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

HEARING DECISION

Following Petitioner'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 January 4, 2016, from Detroit, Michigan. The Petitioner was represented by the Petitioner; and Petitioner's wife, [REDACTED], appeared as a witness. The Department of Health and Human Services (Department) was represented by [REDACTED], Hearing Facilitator.

ISSUE

1. Did the Department properly close the Petitioner's Food Assistance Program (FAP) due to failure to verify employment?
2. Did the Department properly close/deny the Petitioner's Medical Assistance (MA)?

FINDINGS OF FACT

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

1. A redetermination form was sent to the Petitioner on September 15, 2015, and scheduled a telephone interview on October 1, 2015. On the redetermination, the Petitioner noted that [REDACTED] income from employment ended September 2, 2015, and did not list the name of the employer.
2. On November 1, 2015, the Department issued a Notice of Case Action dated October 30, 2015, closing the Petitioner's FAP case due to verification of loss of employment ([REDACTED]) and was not returned to the Department as well as no return of bank account statement, vehicle value and vehicle ownership. Exhibit 6.

3. A verification checklist was issued October 8, 2015, requesting proof of value of the car and loss of employment verification. The name of the employer was not referenced. The verifications were due by October 19, 2015. Exhibit 3.
4. On October 2, 2015, the Petitioner provided paystubs for [REDACTED], an employer for the period August 23, 2015, through September 5, 2015. The Petitioner also provided checks for July 12, 2015, through July 25, 2015; and July 26, 2015, through August 8, 2015; and August 9, 2015, through August 22, 2015; to the Department. Exhibit 4.
5. The Department issued a verification checklist dated October 30, 2015, requesting a statement of the value of Petitioner's car and current statement from bank DHHS verification of assets. The verifications were due November 9, 2015. Exhibit A.
6. The Petitioner timely returned the verification of the car value and a [REDACTED] statement for September 2015. These documents were returned by November 9, 2015, after the FAP case closure. Exhibit A.
7. The Department sent a Wage Match Client Notice to the Petitioner on October 16, 2015, requesting that the Petitioner verify information regarding the employer listed as [REDACTED]. The Wage Match Notice advised the Petitioner as follows: The Wage Verification on page 2 must be completed by the employer listed above. The form must be filled out entirely, signed and dated. Return the completed form or paystubs for the last thirty days to your specialist in the enclosed envelope by 11/16/15. Exhibit 4a.
8. In response to the Wage Match Client Notice on November 4, 2015, the Petitioner provided the Department an archived pay slip indicating his pay received from [REDACTED] employment for the period April 12, 2015, through April 25, 2015; a pay slip for April 26, 2015, through May 9, 2015; May 10, 2015, through May 23, 2015; and May 24, 2015, through June 6, 2015. This verification was received prior to the November due date but after the FAP case closure on November 1, 2015. Exhibit 5.
9. On November 9, 2015, the Petitioner requested a hearing regarding his Medical Assistance closure. At the hearing, the Petitioner withdrew the request for hearing on the record as the Medical Assistance issue has been resolved.
10. The Petitioner requested a hearing on November 4, 2015, regarding his food assistance.

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.

In this case, the Department closed the Petitioner's FAP case on November 1, 2015, after a redetermination due to verification of loss of employment was not returned ([REDACTED]) and vehicle value, bank account statement (checking) and vehicle ownership not returned. The Notice of Case Action was issued on October 8, 2015. Exhibit 3. On the Redetermination DHHS-1010 submitted, the Petitioner's wife reported a loss of employment as of September 2, 2015. Thereafter, a Verification Checklist requesting verification of loss of employment was generated so that the FAP benefits could be calculated without this income. Exhibit 3.

The Department issued two verification checklists and one Wage Match Client Notice.

A Verification checklist was issued October 8, 2015, due October 19, 2015. Exhibit 3. The Verification Checklist was issued to determine eligibility for **Food Assistance**.

The Verification Checklist sought the following verifications: Vehicle Value; Loss of Employment ([REDACTED]) Return one of the following: Employment Records, Employer statement, DHHS-38, Verification of Employment; verification of vehicle ownership and checking account information.

At the hearing, the evidence demonstrated that the Petitioner returned the following verifications on the following dates:

On October 2, 2015, the Petitioner provided the Department paystubs for [REDACTED] for the period August 23, 2015, through September 5, 2015. The Petitioner also provided checks for July 12, 2015, through July 25, 2015; and July 26, 2015, through August 8, 2015; and August 9, 2015, through August 22, 2015, to the Department.

Vehicle Value; Loss of Employment ([REDACTED]) Return one of the following: Employment Records, Employer statement, DHHS-38, Verification of Employment; verification of vehicle ownership and checking account information **were not returned by the due date, October 19, 2015.** See below.

There were two other documents that the Petitioner was required to respond to unrelated to the FAP verification of information requested and detailed. The Wage Match and the Second Verification Checklist are listed because they were responded to timely; however, the paystubs submitted in response to the Wage Match did not demonstrate the status of employment and were not for the last 30 days as requested. If [REDACTED] no longer works for this employer, [REDACTED] a Wage Verification should be completed which will indicate when the last pay was received from this employer.

A second Verification Checklist for MA was issued on October 30, 2015, with a due date of November 9, 2015. The requested verification was timely received and the MA was continued; however, the FAP case closed because these verifications were not requested as part of the FAP redetermination.

A Wage Match Client Notice was issued by the Department on October 16, 2015, with a November 16, 2015, due date. Exhibit 4.

The Wage Match Client Notice requested that the Petitioner verify information regarding the employer listed as [REDACTED] because LARA records indicated that the person listed below ([REDACTED]) received income that was not reported. The Petitioner did not advise the Department that she could not get the information from the employer or provide the employer's address.

The Wage Match Notice advised the Petitioner as follows: **The Wage Verification on page 2 must be completed by the employer listed above. The form must be filled out entirely, signed and dated. Return the completed form or pay stubs for the last thirty days to your specialist in the enclosed envelope by 11/16/15.**

On November 4, 2015, after the FAP case closure on November 1, 2015, the Petitioner provided the Department an archived pay slip indicating his pay received from Convergys for the period April 12, 2015, through April 25, 2015; a pay slip for April 26, 2015, through May 9, 2015; May 10, 2015, through May 23, 2015; and May 24, 2015, through June 6, 2015. The paystubs were not for the last 30 days, and the Employer's statement was not submitted.

A Verification Checklist was issued on October 30, 2015, with a due date of October 9, 2015. The Verification Checklist was issued to determine eligibility for Medicaid.

The Verification Checklist requested Petitioner return a copy of at least one of the following; a Dealer Statement of the value of Petitioner's car and current statement from bank or financial institution, DHHS-20 verification of assets. These documents were returned timely. Exhibit A.

Department policy regarding redeterminations provides:

The Michigan Department of Health & Human Services (MDHHS) must periodically redetermine or renew an individual's eligibility for active programs. The redetermination

process includes thorough review of all eligibility factors. BAM 210, (January 1, 2015), p. 1.

As regards Verifications requested in conjunction with a redetermination the Department policy provides:

FAP Only

Verifications must be provided by the end of the current benefit period **or** within 10 days after they are requested, whichever allows more time. If the tenth day falls on a weekend or holiday, the verification will not be due until the next business day.

Note: The DHHS-3503, Verification Checklist, should be sent after the redetermination interview for any missing verifications allowing 10 days for their return.

Example: Client returns a complete DHHS-1010 on the last day of the benefit period and fails to provide verification of income. Request income verification allowing the client 10 days to return verification.

In this case, the Department requested further verification after receiving the paystubs submitted for [REDACTED] on October 2, 2015, after the phone interview. The subsequent issuance of the October 8, 2015, Verification Checklist clearly requested verification of loss of employment as the paystubs did not establish loss of employment as none of the paystubs indicated that it was a final check. Exhibit 4.

Under some circumstances, a FAP case may be reinstated by subsequent processing:

Subsequent Processing

If a client files an application for redetermination before the end of the benefit period, but fails to take a required action, the case is denied at the end of the benefit period. Proceed as follows if the client takes the required action within 30 days after the end of the benefit period: BEM 210, p. 18-19.

Although the Petitioner had 30 days after the end of the benefit period, October 31, 2015, the Petitioner never submitted proof of loss of employment as required by the October 8, 2015, verification checklist. The Notice of Case Action closing the FAP case clearly advised why the case closed and that if Petitioner complied within 30 days of the end of the benefit period, you may be eligible from the date the requirements are met. Exhibit 6.

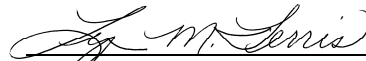
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department acted in

accordance with Department policy when it closed the Petitioner's FAP case for failure to verify loss of employment.

DECISION AND ORDER

Accordingly, the Department's decision is as regards the FAP case closure is **AFFIRMED**.

The Petitioner's request for hearing dated November 4, 2015, is hereby WITHDRAWN, it is so **ORDERED**.



Lynn M. Ferris
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

Date Mailed: **1/14/2016**

LMF/jaf

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:

