RICK SNYDER GOVERNOR

# STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN ADMINISTRATIVE HEARING SYSTEM Christopher Seppanen Executive Director

MIKE ZIMMER



Date Mailed: March 25, 2016 MAHS Docket No.: 16-002124

Agency No.:
Petitioner:

## ADMINISTRATIVE LAW JUDGE: Kevin Scully

#### **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. After due notice, telephone hearing was held on March 24, 2016, from Lansing, Michigan. Participants on behalf of Petitioner included Independence Manager) represented the Department of Health and Human Services (Department). Witnesses on behalf of the Department included (Eligibility Specialist).

### <u>ISSUE</u>

Did the Department of Health and Human Services (Department) properly close the Petitioner's Food Assistance Program (FAP) benefits?

#### FINDINGS OF FACT

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

- 1. The Petitioner was an ongoing Food Assistance Program (FAP) recipient.
- 2. On January 21, 2016, the Petitioner reported to the Department that her employment had ended effective December 30, 2015.
- 3. On January 21, 2016, the Department sent the Petitioner a Verification Checklist (DHS-3503) requesting verification of ending income by February 1, 2016.
- 4. On February 10, 2016, the Department notified the Petitioner that it would close her Food Assistance Program (FAP) benefits.

5. On February 18, 2016, the Department received the Petitioner's request for a hearing protesting the closure of her Food Assistance Program (FAP) benefits.

## **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.

Clients must report changes in circumstance that potentially affect eligibility or benefit amount within 10 days of receiving the first payment reflecting the change. This includes starting or stopping employment. Department of Human Services Bridges Assistance Manual (BAM) 105 (July 1, 2015), pp 1-20.

Clients must cooperate with the local office in determining initial and ongoing eligibility and this includes the completion of necessary forms. Department of Human Services Bridges Assistance Manual (BAM) 105 (July 1, 2015), p 8.

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. The Department uses documents, collateral contacts, or home calls to verify information. A collateral contact is a direct contact with a person, organization, or agency to verify information from the client. When documentation is not available, or clarification is needed, collateral contact may be necessary. Department of Human Services Bridges Assistance Manual (BAM) 130 (January 1, 2016), pp 1-9.

The Petitioner was an ongoing FAP recipient on January 21, 2016, when she reported to the Department that her employment had ended on December 30, 2015, which was not a timely report of a change to her circumstances. On January 21, 2016, the Department sent the Petitioner a Verification Checklist (DHS-3503) requesting verification of her ending income by February 1, 2016. On February 20, 2016, the Department the Petitioner's ending income had not been verified and her FAP benefits were closed.

The Petitioner argued that she had provided sufficient verification of her ending income to the Department. The Petitioner had provided verification of ending employment on January 21, 2016, with a statement from her former employer. The Petitioner testified that she had provided a copy of her bank statement while applying for State Emergency Relief (SER) benefits and that this statement contained verification of her final paycheck being deposited into her account.

However, even if the Department had been able to identify the deposit of her final paycheck into her bank account, this would only have been verification of her final net pay and not her final gross pay, which was necessary to accurately determine her eligibility for FAP benefits.

This Administrative Law Judge finds that the Petitioner had a duty to provide the Department with accurate verification of her ending income and that she failed to provide this information in a timely manner.

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 Food Assistance Program (FAP) benefits.

# **DECISION AND ORDER**

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

KS/las

Kevin Scully Administrative Law Judge

for Nick Lyon, Director

Department of Health and Human Services

**NOTICE OF APPEAL**: A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Order if the request is received by MAHS within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088; 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

