



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: May 26, 2016
MAHS Docket No.: 16-004966
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

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, a telephone hearing was held on May 23, 2016, from Detroit, Michigan. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by [REDACTED], Eligibility Specialist/Hearing Facilitator.

ISSUE

Did the Department properly close Petitioner's Family Independence Program (FIP) case effective May 1, 2016 and sanction Petitioner and her husband with lifetime FIP case closures?

Did the Department properly deny Petitioner's January 5, 2016 and January 27, 2016 FIP applications?

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 January 5, 2016, Petitioner applied for FIP benefits.
2. On January 25, 2016, the Department sent Petitioner a Notice of Case Action denying the application on the basis that she had failed to verify requested information (Exhibit H).

3. On January 27, 2016, Petitioner reapplied for FIP benefits.
4. On February 25, 2016, the Department sent Petitioner a Notice of Case Action denying this second application on the basis that she had failed to verify requested information (Exhibit I).
5. Petitioner reapplied for FIP benefits a third time, and this application was approved.
6. On March 30, 2016, the Department sent Petitioner a Notice of Case Action notifying her that her FIP case would close effective May 1, 2016 because she had failed to participate in employment-related activities and, because this was the third incident of noncompliance, her FIP case was permanently closed (Exhibit B).
7. On April 6, 2016, the Department received Petitioner's request for hearing disputing the Department's actions concerning her FIP case.

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.

Petitioner requested a hearing concerning her FIP case, alleging that the Department had denied numerous applications and then, after she was approved, notified her that case was closing. A client who disputes a Department action must request a hearing within 90 calendar days from the date of the written notice of case action sent by the Department informing the client of the action at issue. BAM 600 (October 2015), p. 6.

Petitioner's hearing request was received by the Department on April 6, 2016. The evidence at the hearing established that the Department had sent Petitioner three negative notices of case action within 90 days of her April 6, 2016 hearing request: (1) the March 30, 2015 Notice of Case Action notifying her that her FIP case was closing effective May 1, 2016 due to her failure to participate in employment activities (Exhibit B); (2) the January 25, 2016 Notice of Case Action denying her January 5, 2016 FIP application (Exhibit H); and (3) the February 25, 2016 Notice of Case Action denying her January 27, 2016 FIP application (Exhibit I). Because Petitioner's hearing request is

timely only with respect to the case closure and the denial of her January 5, 2016 and January 27, 2016 FIP applications, the matters at the hearing and in this Hearing Decision are limited to those issues.

At the hearing, the Department acknowledged that it had erred in sending Petitioner the March 30, 2016 Notice of Case Action notifying her of the May 1, 2016 closure of her FIP case. The Department explained that it had sent the Notice because it believed Petitioner had not timely completed the FAST but subsequently discovered that the FAST was timely completed. The Department established that it reinstated Petitioner's FIP case effective May 1, 2016 with a group size and benefit amount consistent with that prior to the case closure date (Exhibit F) and sent Petitioner an April 6, 2016 Notice of Case Action informing her that her FIP case was continued for May 1, 2016 ongoing (Exhibit C). Petitioner acknowledged receiving her May 2016 FIP allotment. Therefore, under the facts presented, Petitioner receiving ongoing, uninterrupted FIP benefits.

The Department also presented a "non-cooperation summary" printout from its Bridges system showing that it had granted good cause to Petitioner and her husband for the March 30, 2016 noncooperation (Exhibit E). This evidence established that the lifetime sanction from receipt of FIP benefits for the third incident of noncompliance was removed from Petitioner's and her husband's records. The evidence presented by the Department is sufficient to establish that the Department resolved the issues prompting Petitioner's hearing request concerning the closure of her FIP case by reinstating her case and issuing uninterrupted, ongoing FIP benefits and removing the noncooperation sanction applied to her and her husband.

Petitioner also argued that the Department had improperly denied prior applications. As discussed above, the only negative actions taken by the Department denying Petitioner's FIP application within 90 days of Petitioner's April 6, 2016 hearing request concerned her January 5, 2016 and January 27, 2016 FIP applications. Therefore, review of the Department's actions is limited to those pertaining to those two applications. At the hearing, the Department explained that both applications were denied because Petitioner had failed to verify requested information (Exhibits H and I). The Department provided copies of the verification checklists that were sent to Petitioner in connection with the two applications (Exhibit J). Petitioner contended that she had turned in all requested documents. The Department was unable to identify what verifications Petitioner had failed to submit. Therefore, the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it denied Petitioner's January 5, 2016 and January 27, 2016 FIP applications due to failure to verify requested information.

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 resolved the issue of the pending closure of Petitioner's FIP case by reinstating the case effective May 1, 2016 and removing the noncooperation sanctions but failed to satisfy its burden

of showing that it acted in accordance with Department policy when it denied Petitioner's January 5, 2016 and January 27, 2016 FIP applications.

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 and reprocess Petitioner's January 5, 2016 and January 27, 2016 FIP applications;
2. Issue supplements to Petitioner for any FIP benefits Petitioner was eligible to receive but did not based on the date of an approved application ongoing; and
3. Notify Petitioner in writing of its decision.

ACE/tlf



Alice C. Elkin
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

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[REDACTED]

[REDACTED]

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