



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR



Date Mailed: June 13, 2016
MAHS Docket No.: 16-006228
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Colleen Lack

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 June 8, 2016, from Lansing, Michigan. [REDACTED], the Petitioner, appeared on her own behalf. The Department of Health and Human Services (Department) was represented by [REDACTED], Eligibility Specialist and Hearing Facilitator.

During the hearing proceedings, the Department's Hearing Summary packet was admitted as Exhibit A, pp. 1-22.

ISSUE

Did the Department properly propose a closure of Petitioner's Food Assistance Program (FAP) and Medical Assistance (MA) cases based on a failure to comply with verification requirements?

FINDINGS OF FACT

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

1. Petitioner was a recipient of FAP and MA benefits.
2. On April 4, 2016, a New Hire Client Notice was issued to Petitioner requesting verification of her employment with Hope Network by the April 14, 2016, due date. (Exhibit A, pp. 14-15)

3. Petitioner did not submit the requested employment verification to the Department by the April 14, 2016, due date. (Eligibility Specialist Testimony)
4. On April 26, 2016, a Notice of Case Action was issued to Petitioner stating the FAP case would close effective June 1, 2016, based on a failure to comply with verification requirements. (Exhibit A, pp. 10-12 and 16-19)
5. On April 27, 2016, a Health Care Coverage Determination Notice was issued to Petitioner stating the MA case would close effective June 1, 2016, based on a failure to comply with verification requirements. (Exhibit A, pp. 6-8 and 20-22)
6. On May 6, 2016, Petitioner filed a hearing request contesting the Department's determinations. (Exhibit A, pp. 5-13)

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.

Additionally, clients must cooperate with the local office in determining initial and ongoing eligibility, including completion of necessary forms, and must completely and truthfully answer all questions on forms and in interviews. BAM 105, April 1, 2016, p. 9.

In general, verification is usually required upon application or redetermination and for a reported change affecting eligibility or benefit level. Verifications are considered timely if received by the date they are due. The Department must allow a client 10 calendar days (or other time limit specified in policy) to provide the requested verification. The Department worker must tell the client what verification is required, how to obtain it, and

the due date. The client must obtain required verification, but the Department must assist if the client needs and requests help. If neither the client nor the Department can obtain verification despite a reasonable effort, the Department worker should use the best available information. If no evidence is available, the Department worker is to use their best judgment. BAM 130, January 1, 2016, pp. 1-8.

For FAP, the Department is to send a negative action notice when the client indicates refusal to provide a verification, or the time period has elapsed and the client has not made a reasonable effort to provide it. If the client contacts the Department prior to the due date requesting an extension or assistance in obtaining verifications, the Department is to assist them with the verifications but not grant an extension. The Department worker is also to explain to the client they will not be given an extension and their case will be denied once the due date is passed. Also, the Department worker is to explain their eligibility and it will be determined based on their compliance date if they return required verifications. BAM 130. The Department is to re-register the FAP application if the client complies within 60 days of the application date. BAM 130, p. 7.

For MA, if the client cannot provide the verification despite a reasonable effort, the Department can extend the time limit up to two times. Extension may be granted only when: the customer/authorized representative need to make the request, an extension should not automatically be given; the need for the extension and the reasonable efforts taken to obtain the verifications are documented; and every effort by the department was made to assist the client in obtaining verifications. The Department is to send a case action notice when the client indicates refusal to provide a verification, or the time period given has elapsed. BAM 130, pp. 7-8.

The State New Hires Match is a daily data exchange of information collected by the Michigan New Hire Operations Center and obtained through the Office of Child Support. State New Hires information is used to determine current income sources for active MDHHS clients. The Department is to contact the client immediately if the employment has not been previously reported and request verification by generating a DHS-4635, New Hire Notice, from Bridges. When a DHS-4635 is requested, Bridges automatically gives the client 10 calendar days to provide verification from the date the forms were requested. If verifications are not returned by the tenth day, case action will need to be initiated to close the case in Bridges. BAM 807, January 1, 2016, pp. 1-2.

In this case, a New Hire Client Notice was issued to Petitioner on April 4, 2016, requesting verification of her employment with Hope Network by the April 14, 2016, due date. (Exhibit A, pp. 14-15) Petitioner did not submit the requested employment verification to the Department by the April 14, 2016, due date. (Eligibility Specialist Testimony) Accordingly, on April 26, 2016, a Notice of Case Action was issued to Petitioner stating the FAP case would close effective June 1, 2016, based on a failure to comply with verification requirements. (Exhibit A, pp. 10-12 and 16-19) Further, on April 27, 2016, a Health Care Coverage Determination Notice was issued to Petitioner stating the MA case would close effective June 1, 2016, based on a failure to comply

with verification requirements. (Exhibit A, pp. 6-8 and 20-22) The Eligibility Specialist noted that because a different employment verification form was received from Petitioner on May 23, 2016, the Department has re-instated Petitioner's FAP and MA cases and re-determined eligibility for these programs. (Eligibility Specialist Testimony)

Petitioner testified she never received the New Hire letter in the mail so she did not know the Department requested verification. However, the New Hire Notice was sent to the address Petitioner confirmed as her correct mailing address. (Petitioner Testimony)

For this appeal, the issue that can be reviewed is the proposed closure of Petitioner's FAP and MA cases based on the alleged failure to comply with verification requirements from the April 2016 case action notices. As discussed, there was no jurisdiction to address other issues Petitioner raised in her testimony as part of this appeal. For example, there was no indication of any contested issues regarding State Emergency Relief on Petitioner's May 6, 2016 hearing request. Similarly, the written case action notice regarding the reduction of the monthly FAP allotment Petitioner referenced was issued after the May 6, 2016 hearing request was filed. If she has not already done so, Petitioner may wish to file another timely hearing request regarding these issues.

Overall the evidence established that the Department acted in accordance with Department policy when requesting verification of Petitioner's employment and proposing the closure of her FAP and MA cases when there was no response to the verification request. The Department sent a written verification request to Petitioner's correct address that indicated what verification was requested, how to obtain it, the due date, and allowed 10 days to provide the verification. The Department did not receive any response to the New Hire Notice requesting employment verification. There was insufficient credible evidence to rebut the presumption that this mailing was delivered. For example, there was no testimony or documentary evidence that the New Hire Client Notice came back to the Department as returned mail or that Petitioner has problems receiving her mail.

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 proposed a closure of Petitioner's FAP and MA cases based on a failure to comply with verification requirements.

DECISION AND ORDER

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

CL/mc



Colleen Lack
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

DHHS

[REDACTED]

Petitioner

[REDACTED]