



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]

Date Mailed: July 25, 2016  
MAHS Docket No.: 16-008019  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**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, a telephone hearing was held on [REDACTED] [REDACTED] from Detroit, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by [REDACTED] [REDACTED] Hearing Facilitator.

### **ISSUE**

Did the Department properly close the Petitioner's Food Assistance Program (FAP) for failure to complete a Redetermination?

### **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 mailed a Redetermination by the Department dated [REDACTED]. A telephone interview was scheduled for [REDACTED]. Exhibit 1.
2. The Petitioner returned the Redetermination to the Department on [REDACTED]. The Department received one paystub from the Petitioner regarding her son's employment with the Redetermination. Thereafter, the Department completed a telephone interview on [REDACTED]. Exhibit 4.
3. After the telephone interview, a Verification Checklist (VCL) dated [REDACTED], was sent to the Petitioner requesting a current statement from her bank, proof of a

current mortgage amount and/or completed shelter verification form. A Verification of Employment was also mailed to the Petitioner on [REDACTED], seeking verification of employment for her son, [REDACTED], who lives with her. Exhibit 2.

4. The Department issued a Notice of Case Action on [REDACTED], closing the Petitioner's FAP case due to failure to verify bank account information and missing check stubs. The Notice of Case Action also advised the Petitioner that she had 30 days from [REDACTED], to complete the requested verification's. Exhibit 3.
5. The Department issued a VCL dated [REDACTED], requesting the Petitioner provide proof of her mortgage amount and/or complete a shelter verification form. Petitioner Exhibit A.
6. The Petitioner requested a timely hearing on [REDACTED]

### **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.

In this case, the Petitioner's FAP case was closed when the Department determined that she failed to verify the bank account statement, and missing check stubs regarding her son's employment. The Petitioner credibly testified that on several occasions by both mail and in person, she provided the Department a copy of her mortgage and stated it was enclosed with the original response to the Redetermination on [REDACTED] together with one paystub for her son's employment. Thereafter, the Petitioner credibly testified that after a telephone interview with her caseworker was completed as part of the redetermination she provided the Department four remaining original paystubs for her son's employment and her bank account statement by mail. The Department testified that it received the Redetermination and one paystub with the Redetermination on [REDACTED]. Thereafter, the Department scanned and received on [REDACTED], another copy of the Petitioner's mortgage, bank account information and a loss of employment form for her son. To confuse matters further, the Department sent a VCL to the Petitioner on [REDACTED], (after the case closure) with a due date of [REDACTED], requesting a current mortgage company statement or lender statement.

Petitioner Exhibit A. Once again, to further confuse matters the [REDACTED], Notice of Case Action, closing the Petitioner's FAP case effective [REDACTED], advised the Petitioner that she had until 30 days from [REDACTED], to complete the remaining verifications that were requested including Verification of Bank Account Savings and missing check stubs for her son. Exhibit 3. In addition, the Department testified that the state of Michigan's scanning system was down for a couple of weeks at the end of [REDACTED]. The verification received regarding the Petitioner's son's employment is signed [REDACTED], but not scanned until [REDACTED].

Department policy regarding redeterminations and their completion provides:

#### **FAP Only**

Benefits stop at the end of the benefit period **unless** a redetermination is completed **and** a new benefit period is certified. If the client does not begin the redetermination process, allow the benefit period to expire. The redetermination process begins when the client files a DHS-1171, Assistance Application; DHS-1010, Redetermination; DHS-1171, Filing Form; DHS-2063B, Food Assistance Benefits Redetermination Filing Record. See; **Subsequent processing** in this item. BEM 210, (July 1, 2016), p. 3

#### **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 DHS-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 DHS-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.

If verifications are provided by the required deadline but too late for normal benefit issuance, benefits must be issued within five workdays. BAM 210, p. 16

The Department is also expected to communicate effectively with clients so that what is required of the client is understandable and consistent. Department policy requires:

## LOCAL OFFICE RESPONSIBILITIES

### All Programs

Ensure client rights described in this item are honored and that client responsibilities are explained in understandable terms. Clients are to be treated with dignity and respect by all MDHHS employees. BAM 105 (April 1, 2016), p. 13.

After a thorough review of the evidence and the testimony of the witnesses, it is determined that the Department must reinstate the Petitioner's FAP case as of the closure date, [REDACTED], and process and complete the redetermination.

This conclusion is based on the Petitioner's credible testimony that she filed several of the documents in person and by mail, and the Department's credible testimony that the state of Michigan's scanning system was down for several weeks in [REDACTED]. This determination is also based upon the fact that the Department's Notice to the Petitioner closing the FAP case advised the Petitioner that she had until 30 days from [REDACTED] to complete the redetermination verifications. The Department received scanned verifications on [REDACTED], within the 30-day time period but did not process them. Although the notice time requirements may not have been issued in accordance with Department policy; nonetheless, the Petitioner was entitled to rely upon it. The Department's continuing to seek verifications even after it closed the Petitioner's FAP case also misinformed the Petitioner as to the exact status of her FAP case as the request for verification was after the closure date of [REDACTED], but before the end of the 30-day period after the [REDACTED] closing date provided by the Notice. Given this confusion and miscommunication, there is ample evidence to support the reinstatement of Petitioner's FAP case under these circumstances.

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 closed the Petitioner's FAP case for failure to complete the redetermination verifications.

### **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. The Department shall reinstate the Petitioner's FAP and complete and process the redetermination.

2. The Department shall issue an FAP supplement to the Petitioner, if any, that the Petitioner is otherwise eligible to receive in accordance with Department policy.
3. The Department shall provide written notice to the Petitioner of its determination.

LMF/jaf



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**Lynn M. Ferris**  
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]

**cc:**

[REDACTED]