



RICK SNYDER  
GOVERNOR

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

MIKE ZIMMER  
DIRECTOR

[REDACTED]

Date Mailed: March 11, 2016  
MAHS Docket No.: 16-000551  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Darryl Johnson

### **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 March 9, 2016, from Kalamazoo, Michigan. The Petitioner represented himself. The Department of Health and Human Services (Department) was represented by Hearings Facilitator [REDACTED].

### **ISSUE**

Did the Department properly close Petitioner's Food Assistance Program (FAP) and 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. Petitioner was a recipient of FAP and MA.
2. On November 16, 2015, a Redetermination form was mailed to Petitioner for him to verify essential data regarding his household, income, expenses, and other details. It was required to be returned by December 1, 2015.
3. On November 30, 2015, the Department received the completed and signed form (Exhibit 1 Pages 1-6).

4. In Section 9 – Assets, at page 4, Petitioner said that he did not have any savings accounts, checking accounts, vehicles, or other assets.
5. At Page 6, Petitioner swore under the penalty of perjury that all of the information in the application was true, and that he did not withhold any facts affecting his eligibility.
6. In 2014, Petitioner had provided the Department with documentation showing that he had a Direct Express debit card which he used to access his Social Security benefits. See Exhibit 1, Pages 20-21.
7. On December 1, 2015, the Department mailed to Petitioner a Verification Checklist (VCL) (Exhibit 1 Page 11) requiring him to provide a current statement from a bank or financial institution reflecting the balance in his “checking account.”
8. Petitioner did not respond to the VCL and, on December 22, 2015, the Department mailed to Petitioner a Notice of Case Action (Exhibit 1 Pages 12-15) and a Health Care Coverage Determination Notice (Exhibit 1 Pages 16-19) informing him that his FAP would be closed effective February 1, 2016, and that he was not eligible for MA beginning February 1, 2016 because he did not verify his bank account.
9. On January 13, 2016, the Department received Petitioner’s hearing request.

### **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, Petitioner has a bank account into which his Social Security benefits are paid each month. Petitioner has previously provided the Department with verification of the balance in that account. He does not consider it to be a checking account or a savings account, and he does not believe he has a bank account since there is no bank in his city where he has an open account. He admitted, however, that he is able to use his debit card to withdraw funds through ATMs. His contention is that the Department never required him in the past to verify the balance in his account, and that he only provided the ATM slips (Exhibit 1 Pages 20-21) on his own initiative.

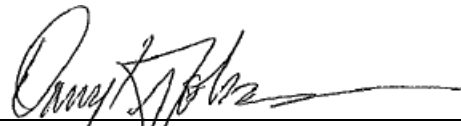
During the hearing it was explained to Petitioner that, whether he considers his account to be a savings account, a checking account, or neither, it is still an asset. He could use an ATM to withdraw all of the funds and he would have cash in his pocket. Whether it is cash in his pocket, or cash accessible through the ATM, it is an asset. He had an obligation to report the value of that asset to the Department in response to the initial Redetermination request. He failed to report it. He was then given a VCL, but he did not respond to that because it asked about a checking account and he says does not have a checking account. He is wrong. He has an asset, and its value must be reported – and verified. Because he failed to verify the balance, the Department was unable to determine his eligibility for FAP or MA.

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 Petitioner's FAP and MA.

**DECISION AND ORDER**

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

DJ/mc



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**Darryl Johnson**  
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]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**Petitioner**

[REDACTED]