



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: April 21, 2016  
MAHS Docket No.: 16-003526  
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 April 20, 2016, from Detroit, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by [REDACTED], Hearing Facilitator.

**ISSUE**

Did the Department properly close the Petitioner's Food Assistance Program (FAP) case, Medical Assistance (MA) benefits case and Medicare Cost Sharing Program (MSP) benefits case for failure to verify bank account information?

**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 recipient of FAP, MA and the MSP.
2. A Redetermination was mailed to the Petitioner on January 11, 2016, with a due date of February 1, 2016. Exhibit 1.
3. On February 8, 2016, a Verification Checklist (VCL) was mailed to the Petitioner requesting that she provide the Department information regarding her checking and savings accounts as well as other information. The verification information regarding the Petitioner's savings account was due February 18, 2016. Exhibit 2.

4. The Petitioner did not provide any information regarding her savings bank account until after the verification due date. The bank account information for savings was provided on March 4, 2016, after the VCL due date.
5. The Department issued a Notice of Case Action on March 9, 2016, closing the Petitioner's FAP case for failure to provide savings account statement. Exhibit 3.
6. The Department issued a Health Care Coverage Determination Notice on March 9, 2016, finding the Petitioner no longer eligible for MA or MSP due to failure to provide verification items requested. These benefit programs closed effective April 1, 2016. Exhibit 4.
7. The Petitioner requested a timely hearing on March 18, 2016, protesting the Department's actions

### **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, the Department closed the Petitioner's FAP case effective March 1, 2016, for failure to provide the bank account savings statement. Exhibit 3. The Department closed the Petitioner's MA and MSP benefits effective April 1, 2016. These benefit programs were closed due to the Petitioner's failure to provide the requested verification information regarding her savings account statement, which she acknowledged at the hearing she did not provide by the due date. The Department is entitled at Redetermination to review the Petitioner's assets, which includes bank account information. A failure to respond to a VCL in a timely manner causes closure of the

benefits, which require verification and which are being reviewed at the time of the Redetermination.

BAM130 provides:

**FIP, SDA, Child Development and Care (CDC), FAP**

Allow the client 10 calendar days (or other time limit specified in policy) to provide the verification that is requested.

Send a negative action notice when:

- The client indicates refusal to provide a verification, or
- The time period given has elapsed and the client has **not** made a reasonable effort to provide it. BAM 130, (January 2016), pp. 6-7.

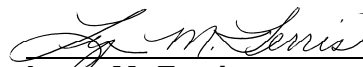
In this case, based upon the evidence provided and the Petitioner's statement that she did not provide the information by the due date, the Department correctly closed her FAP case and the MA and MSP benefits. The Petitioner Must Reapply for Food Assistance, and at the time of the hearing, had already reapplied for MA and MSP benefits.

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 FAP and MSP for failure to provide verification of bank account information.

**DECISION AND ORDER**

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

LMF/jaf



**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]