



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: May 27, 2016  
MAHS Docket No.: 16-003650  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Jacquelyn A. McClinton**

**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 19, 2016, from Detroit, Michigan. The Petitioner was represented by [REDACTED], Petitioner's Authorized Hearing Representative (AHR). The Department of Health and Human Services (Department) was represented by [REDACTED].

**ISSUE**

Did the Department properly determine Petitioner's eligibility for FAP benefits effective March 1, 2016, ongoing?

**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 is an ongoing FAP recipient.
2. Petitioner's rent expense has remained unchanged since October 2015.
3. The Department was unable to verify Petitioner's shelter expenses and removed the shelter deduction from Petitioner's FAP budget.
4. On [REDACTED], the Department sent Petitioner a Notice of Case Action notifying Petitioner that her FAP benefits would be decreased to \$16.00 per month effective [REDACTED].

5. On [REDACTED], Petitioner filed a Request for Hearing disputing 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.

#### **MA**

The hearing was requested to dispute the Department's action taken with respect to the Medical Assistance Program benefits. Shortly after commencement of the hearing, Petitioner's AHR testified that she did not wish to proceed with the hearing regarding Petitioner's MA benefits. The Request for Hearing was withdrawn.

#### **FAP**

Additionally, verifications are usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (January 2016), p. 1. In this case, the Department testified that a verification of Petitioner's shelter expense had not been completed since 2009. As a result, the Department testified that it sent Petitioner a Verification Checklist (VCL) with accompanying addendum requesting proof of shelter expense. The Department further testified that Petitioner failed to return the proof of shelter expense, and as such, the shelter expense was removed from Petitioner's FAP budget. The removal of the shelter expense caused Petitioner's FAP monthly benefit amount to be reduced to \$16.00.

Petitioner's AHR testified that no VCL was received. The Department was unable to provide a copy of the VCL at the hearing, and was also unable to verify the date and address to which the VCL was sent. As such, the Department has failed to establish

that a VCL was sent to Petitioner requesting proof shelter expense. Petitioner's AHR testified that Petitioner's shelter expense is \$801.00 per month and has remained unchanged since October 2015. Petitioner's AHR testified that updated shelter expense information has been provided to the Department. The Department confirmed that it received proof of Petitioner's shelter expense on [REDACTED].

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 reduced Petitioner's FAP benefits for failing to verify shelter expenses.

### **DECISION AND ORDER**

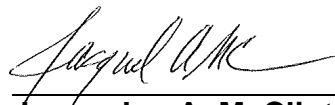
Pursuant to the withdrawal of the hearing request filed in this matter, the Request for Hearing relating to MA benefits only is, hereby, **DISMISSED**.

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. Reinstate Petitioner's FAP benefits to the amount prior to the decrease which became effective [REDACTED];
2. Issue supplements to Petitioner that she was eligible to receive but did not as of [REDACTED];
3. Notify Petitioner in writing of its decision.

JM/hw



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**Jacquelyn A. McClinton**

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]

**Petitioner**

[REDACTED]

**Authorized Hearing Representative**

[REDACTED]