



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 17, 2016  
MAHS Docket No.: 16-004554  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Kevin Scully**

**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. After due notice, telephone hearing was held on May 11, 2016, from Lansing, Michigan. Participants on behalf of Petitioner included [REDACTED]. [REDACTED] (Hearing Facilitator) represented the Department of Health and Human Services (Department).

**ISSUE**

Did the Department of Health and Human Services (Department) properly closed the Petitioner's Family Independence Program (FIP) and Food Assistance Program (FAP) benefits?

**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 Family Independence Program (FIP) and Food Assistance Program (FAP) recipient.
2. On January 26, 2016, the Department received the Petitioner's completed Redetermination (DHS-1010) form. Exhibit A, pp 11 – 16.
3. A redetermination interview scheduled for February 2, 2016, was marked as complete in the Department's records although a system error prevented the viewing of the Redetermination form submitted on January 26, 2016. Exhibit A, pp 17 – 19.

4. On February 17, 2016, the Department notified the Petitioner that it would close her Family Independence Program (FIP) benefits as of March 1, 2016, for failing to return a Redetermination (DHS-1010) form. Exhibit A, pp 7 – 10.
5. On February 23, 2016, a telephone redetermination interview was completed. Exhibit A, p 19.
6. On February 23, 2016, the Department sent the Petitioner a Verification Checklist (DHS-3503) with a due date of March 4, 2016.
7. On March 23, 2016, the Department notified the Petitioner that it would close her Food Assistance Program (FAP) benefits as of March 1, 2016. Exhibit A, pp 37 – 40.
8. On April 1, 2016, the Department received the Petitioner's request for a hearing protesting the closure of her Family Independence Program (FIP) and Food Assistance Program (FAP) benefits. Exhibit A, p 2.

### **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 Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Department of Human Services) administers FIP pursuant to 45 CFR 233-260, MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3101-.3131.

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.

Clients have the right to contest a department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The Department will provide an administrative hearing to review the decision and determine the appropriateness. The Michigan Administrative Hearing System (MAHS) may grant a hearing for any of the following:

- Denial of an application and/or supplemental payments.

- Reduction in the amount of program benefits or service.
- Suspension or termination of program benefits or service.
- Restrictions under which benefits or services are provided.
- Delay of any action beyond standards of promptness.
- For FAP only, the current level of benefits or denial of expedited service.  
Department of Human Services Bridges Administrative Manual (BAM) 600  
(October 1, 2015), pp 3-4.

The Petitioner was and ongoing FIP recipient when the Department sent her a Redetermination (DHS-1010) form with a March 3, 2016 due date. The Department received this form on January 26, 2016, but due to a system error, the scanned form could not be read. On February 2, 2016, the scheduled redetermination interview was marked as completed/waived. On February 17, 2016, the Department notified the Petitioner that it would close her FIP benefits as of March 1, 2016.

On February 23, 2016, a Redetermination interview was held and the Department sent the Petitioner a Verification Checklist (DHS-3503) form requesting verification of bank accounts and utility bills by March 4, 2016.

The Department will send a negative action 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. Department of Human Services Bridges Administrative Manual (BAM) 130 (January 1, 2016). The evidence support a finding that the Petitioner made a reasonable attempt to provide the Department with verification of her bank accounts.

This Administrative Law Judge finds that the Petitioner made a reasonable attempt to provide verification of her countable assets.

The Department will verify shelter expenses at application and when a change is reported. If the client fails to verify a reported change in shelter, the Department will remove the old expense until the new expense is verified. Department of Health and Human Services Bridges Eligibility Manual (BEM) 554 (October 1, 2015), p 14.

The evidence on the record supports a finding that closure of FAP benefits was not justified based on utility bills that were not verified.

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 Family Independence Program (FIP) and Food Assistance Program (FAP) benefits as of March 1, 2016.

**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:

Initiate a determination of the Petitioner's eligibility for Family Independence Program (FIP) and Food Assistance Program (FAP) as of March 1, 2016, in accordance with policy with adequate notice to the Petitioner.

KS/las

  
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**Kevin Scully**  
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]