



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: January 20, 2017
MAHS Docket No.: 16-018104

[REDACTED]
[REDACTED]

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

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 January 5, 2017, from Lansing, Michigan. The Petitioner was represented by his mother [REDACTED]. Petitioner also appeared at the hearing. The Department of Health and Human Services (Department) was represented by [REDACTED] Hearing Facilitator. Department Exhibit 1, pp. 1-59 was received and admitted.

ISSUE

Did the Department properly deny Petitioner's Food Assistance Program (FAP) and State Disability Assistance (SDA) application for failing to verify assets?

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 applied for FAP and SDA on October 19, 2016.
2. On October 24, 2016, a verification checklist requesting bank account information was sent to Petitioner with a November 3, 2016 due date. (Dept. Ex.1., pp. 23-24)
3. On November 16, 2016, Notice of Case Action was sent to Petitioner informing him that his FAP and SDA applications were denied for failing to verify assets.(Dept. Ex.1, pp.27-30)

4. On November 21, 2016, Petitioner requested hearing contesting the denial of FAP and SDA benefits.
5. On November 21, 2016, Petitioner applied for FAP and was approved on November 22, 2016 for FAP. Petitioner's SDA application was forwarded to the Disability Determination Service.

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 State Disability Assistance (SDA) program is established by the Social Welfare Act, MCL 400.1-.119b. The Department of Health and Human Services (formerly known as the Department of Human Services) administers the SDA program pursuant to 42 CFR 435, MCL 400.10 and Mich Admin Code, R 400.3151-.3180.

Timeliness of Verifications

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.

CDC Only

If the client cannot provide the verification despite a reasonable effort, extend the time limit at least once.

At redetermination, if a signed DHS-1010 or application is received, generate a VCL and allow 10 calendar days for the client to provide the verifications. If the verifications are not returned or are returned as incomplete, two 10 calendar day extensions must be given, sending VCLs after each verification due date. Clients are not required to request the extensions.

Verifications are considered to be timely if received by the date they are due. For electronically transmitted verifications (fax, email or Mi Bridges document upload), the date of the transmission is the receipt date. Verifications that are submitted after the close of regular business hours through the drop box or by delivery of a MDHHS representative are considered to be received the next business day.

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.

Note: For FAP only, if the client contacts the department prior to the due date requesting an extension or assistance in obtaining verifications, assist the client with the verifications but do not grant an extension. Explain to the client they will not be given an extension and their case will be denied once the VCL due date is passed. Also, explain their eligibility will be determined based on their compliance date if they return required verifications. Re-register the application if the client complies within 60 days of the application date; see BAM 115, Subsequent Processing. BAM 130

In this case, Petitioner's mother and Authorized Representative ██████████ testified that at all relevant times the bank account she shared with Petitioner was under the asset limit and that Petitioner's name was taken off the shared account several months prior to October 2016. ██████████ testified that she had difficulty obtaining the bank account information showing the balances in the account and confirming that Petitioner was no longer on the account. On the subsequent November 21, 2016, application the Department was satisfied that Petitioner was under the asset limit and awarded FAP benefits and processed the SDA application. The issue in dispute is whether the October 19, 2016, application should have been denied for failing to verify assets. Petitioner testified that she showed bank account records contained in Department Exhibit 1, pp. 25-26, to her case worker when she appeared at the Department office on November 21, 2016. The Department representative testified that there was no notation in the case notes to confirm that this happened. The undersigned Administrative Law Judge finds that Petitioner provided insufficient proof that bank account records were submitted prior to the deadline and therefore the denial for failing to return verifications was proper and correct. BAM 130

DECISION AND ORDER

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 act in accordance with Department policy when it denied Petitioner's FAP and SDA applications for failing to verify assets.

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




Aaron McClintic
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

