RICK SNYDER GOVERNOR

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

SHELLY EDGERTON



Date Mailed: January 13, 2017 MAHS Docket No.: 16-018105

ADMINISTRATIVE LAW JUDGE: Carmen G. Fahie

### **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 herself. The Department of Health and Human Services (Department) was represented by Hearing Facilitator.

# <u>ISSUE</u>

Did the Department properly deny the Petitioner's application for State Employment Relief (SER) and closed her case for Food Assistance Program (FAP) and Medicaid (MA) because she failed to submit the required verifications to prove continued eligibility?

### 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 a recipient of FAP and MA.
- 2. On September 8, 2016, she applied for SER to prevent a rent eviction and reported self-employment income. Department Exhibit 1, pgs. 3-17.
- On September 9, 2016, the Department Caseworker sent the Petitioner a Verification Checklist, DHS 3503, to submit written verification including selfemployment verification that was due on September 19, 2016. Department Exhibit 1, pgs. 18-19.

- 4. On September 22, 2016, the Department Caseworker sent the Petitioner a State Emergency Relief Decision Notice that stated in error that she was denied for not having a court ordered eviction notice, but she was denied for failure to provide self-employment income verification. Department Exhibit 1, pgs. 20-22.
- 5. On September 22, 2016, the Department Caseworker sent the Petitioner a Health Care Coverage Determination Notice, DHS 1606 that her MA case was closed effective November 1, 2016, because of failure to verify income for the Petitioner. Department Exhibit 1, pgs. 23-25.
- 6. On September 22, 2016, the Department Caseworker sent the Petitioner a Notice of Case Action, DHS 1605, that the Petitioner's FAP case was closing effective November 1, 2016, because of failure to verify income for the Petitioner. Department Exhibit 1, pgs. 26-29.
- 7. On September 23, 2016, she applied for SER to prevent a rent eviction and reported no income. Department Exhibit 1, pgs. 32-47.
- 8. On September 26, 2016, the Department Caseworker sent the Petitioner a State Emergency Relief Decision Notice that stated her relocation request was denied because her housing was not affordable according to SER requirements of ERM 207. Department Exhibit 1, pgs. 48-50.
- 9. On November 21, 2016, the Department received a hearing request from the Petitioner, contesting the Department's negative action.

# **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.

The State Emergency Relief (SER) program is established by the Social Welfare Act, MCL 400.1-.119b. The SER program is administered by the Department (formerly known as the Department of Human Services) pursuant to MCL 400.10 and Mich Admin Code, R 400.7001-.7049.

In this case, The Petitioner was a recipient of FAP and MA. On September 8, 2016, she applied for SER to prevent a rent eviction and reported self-employment income. Department Exhibit 1, pgs. 3-17. On September 9, 2016, the Department Caseworker sent the Petitioner a Verification Checklist, DHS 3503, to submit written verification including self-employment verification that was due on September 19, 2016. Department Exhibit 1, pgs. 18-19.

On September 22, 2016, the Department Caseworker sent the Petitioner a State Emergency Relief Decision Notice that stated in error that she was denied for not having a court ordered eviction notice, but she was denied for failure to provide self-employment income verification. Department Exhibit 1, pgs. 20-22. On September 22, 2016, the Department Caseworker sent the Petitioner a Health Care Coverage Determination Notice, DHS 1606 that her MA case was closed effective November 1, 2016, because of failure to verify income for the Petitioner. Department Exhibit 1, pgs. 23-25. On September 22, 2016, the Department Caseworker sent the Petitioner a Notice of Case Action, DHS 1605, that the Petitioner's FAP case was closing effective November 1, 2016, because of failure to verify income for the Petitioner. Department Exhibit 1, pgs. 26-29.

On September 23, 2016, she applied for SER again to prevent a rent eviction and reported no income. Department Exhibit 1, pgs. 32-47. On September 26, 2016, the Department Caseworker sent the Petitioner a State Emergency Relief Decision Notice that stated her relocation request was denied because her housing was not affordable according to SER requirements of ERM 207. Department Exhibit 1, pgs. 48-50. On November 21, 2016, the Department received a hearing request from the Petitioner, contesting the Department's negative action. BEM 500, 501, 502, 550, and 530. BAM 110, 115, and 130. ERM 205, 206, and 207.

During the hearing, the Petitioner stated that she does brows and other things for self-employment income. She stated that she did not have any at this time. Since the Petitioner put on her application for SER that she had self-employment income she had to verify the income for SER, FAP, and MA to see if it would affect her eligibility for those programs. As a result of the Petitioner not submitting written verification of her self-employment income by the due date, her FAP and MA case was closed and SER application was denied. She reapplied for SER where she put that she had no employment income, but that made her housing not affordable and she was denied.

# **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 acted in accordance with Department policy when it determined that the Petitioner's SER application was denied because she failed to provide verification of her self-employment income, which resulted in her FAP and MA case closing because her continued eligibility could not be determined. She reapplied for SER where she put that she had no employment income, but that made her housing not affordable and she was denied.

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

Carmen G. Fahie

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

