



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

██████████
██████████
██████████

Date Mailed: July 25, 2017
MAHS Docket No.: ██████████ 17-007382
Agency No.: ██████████
Petitioner: ██████████

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; 42 CFR 438.400 to 438.424; 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 ██████████, from Detroit, Michigan. The Petitioner was present and represented by ██████████. The Department of Health and Human Services (Department) was represented by ██████████, Family Independence Manager. ██████████, Eligibility Specialist, appeared as an observer on behalf of the Department.

ISSUE

Did the Department properly close Petitioner's Family Independence Program (FIP) benefits ██████████?

Did the Department properly close Petitioner's Food Assistance Program (FAP) benefits effective ██████████?

Did the Department properly close Petitioner's Medical Assistance Program (MA) benefits effective ██████████?

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 was a recipient of FIP
2. Petitioner is an ongoing recipient of FAP and MA benefits.

3. On [REDACTED], the Department sent Petitioner a New Hire Client Notice after it became aware that Petitioner had earnings in [REDACTED].
4. The New Hire Client form was due on or before [REDACTED].
5. Petitioner failed to return the requested information by [REDACTED].
6. On [REDACTED], the Department sent Petitioner a Notice of Case Action which notified Petitioner that her FIP and FAP benefits would close effective [REDACTED].
7. Petitioner did not receive the New Hire Client Notice or the Notice of Case Action in the mail as she no longer lived at the address in which the documents were sent.
8. On [REDACTED], the Department sent Petitioner a Health Care Coverage Determination Notice which notified her that her MA benefits would close effective [REDACTED].
9. Petitioner received the Health Care Coverage Determination Notice as it went to her updated address.
10. On [REDACTED], Petitioner reapplied for FIP, FAP and MA benefits.
11. Petitioner was approved for FAP and MA benefits but her application for FIP benefits was pending at the time of the hearing.
12. [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 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.

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.

Additionally, verification is usually required at application/redetermination **and** for a reported change affecting eligibility or benefit level. BAM 130 (April 2017), p. 1. In this case, the Department sent Petitioner a New Hire Client Notice once it became aware that she received earnings in [REDACTED]. The New Hire Client Notice was due on or before [REDACTED]. The Department sent the notice to the address of record for Petitioner. The Department indicated that because it did not receive all of the required information on or before [REDACTED], it sent Petitioner a Notice of Case Action on [REDACTED].

Petitioner testified that she never received the New Hire Client Notice or the Notice of Case Action because she had moved from that address in early [REDACTED]. Petitioner indicated that she was transient in March and provided her updated address to her PATH worker on or about [REDACTED]. However, Petitioner did not provide her assigned case worker with the new address. Petitioner testified that she became aware of the New Hire Client Notice because after her PATH worker told her that her cases were scheduled to close.

Under Department policy, the Department can delete the negative action if the client meets the requirement before the negative action date. BAM 220 (April 2017), p. 13. The negative action date on Bridges is the day after the timely hearing request date on the Bridges notice of case action. BAM 220, p. 11. The [REDACTED] Notice of Case Action stated in pertinent part as follows:

MDHHS must receive your request for appeal within 10 days of this notice to continue receiving your benefits. Return your request on or before [REDACTED]

The Department is required to 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 (April 2017), p. 7.

Petitioner testified that she went to the Department office on [REDACTED] and completed the New Hire Client form. The Department acknowledged receipt of the form but indicated that Petitioner failed to provide her pay stubs. Petitioner testified that she was unable to provide the paystubs because she was paid with a card and did not receive pay stubs. The Department sent Petitioner's employer a Verification of Employment and received the completed form on [REDACTED]. It is found that Petitioner's completion of the New Hire Client Notice constituted a reasonable effort to provide the requested information before the expiration of the negative action date of [REDACTED] given that she had no ability to provide the paystubs.

Petitioner reapplied for all benefits on [REDACTED]. Petitioner's MA has been approved effective [REDACTED] and she has therefore not experienced any interruption in MA coverage. Accordingly, there is no issue for the undersigned to resolve as it relates to Petitioner's MA benefits. Petitioner's FAP benefits were also approved and she was issued [REDACTED] on [REDACTED]. Petitioner was issued [REDACTED] in [REDACTED] but was issued [REDACTED]. As such, it is unclear if this is a full benefit amount or a prorated amount in [REDACTED]. Petitioner's application for FIP benefits was pending at the time of the hearing.

Petitioner's FIP, FAP and MA benefits each closed because she failed to verify requested information. Given that Petitioner made a reasonable effort to provide the verification at least by the negative action date, it is found that the Department improperly closed Petitioner's FIP, FAP and MA cases effective [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 closed Petitioner's FIP, FAP and MA benefits effective [REDACTED].

DECISION AND ORDER

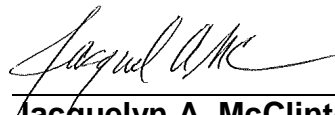
The Petitioner's Request for Hearing relating MA benefits is hereby **DISMISSED** as moot.

The Department's decision is **REVERSED** as to FIP and FAP only.

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 FIP benefits effective [REDACTED];
2. Issue FIP supplements Petitioner was eligible to receive but did not effective [REDACTED]
3. Reinstate Petitioner's FAP benefits effective [REDACTED]
4. Issue FAP supplements Petitioner was eligible to receive but did not effective [REDACTED]; and
5. Notify Petitioner and her AHR of its decision in writing.

JAM/tlf



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

Via Email:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Via First-Class Mail:

Petitioner

[REDACTED]
[REDACTED]
[REDACTED]

Authorized Hearing Representative

[REDACTED]
[REDACTED]
[REDACTED]