



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM

SHELLY EDGERTON
DIRECTOR

[REDACTED]

Date Mailed: February 22, 2018
MAHS Docket No.: 18-000332
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; 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, an in-person hearing was held on February 14, 2018 from Detroit, Michigan. The Petitioner was represented by Petitioner. The Department of Health and Human Services (Department) was represented by [REDACTED], Hearing Facilitator.

ISSUE

Did the Department properly deny Petitioner's application for Food Assistance Program (FAP) benefits effective December 1, 2017?

Did the Department properly close Petitioner's application for Medical Assistance (MA) benefits effective December 1, 2017?

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 FAP and MA benefits.
2. Petitioner previously requested a hearing relating to the denial of her August 3, 2017 application for FAP and MA benefits.
3. On November 6, 2017, a hearing was held in which the Administrative Law Judge ordered the Department to reregister and reprocess Petitioner's August 3, 2017 application.

4. The Department registered and reprocessed Petitioner's August 3, 2017 application and on November 17, 2017, it sent Petitioner a Notice of Case Action which notified Petitioner that her application for FAP benefits had been denied effective December 1, 2017.
5. The Department closed Petitioner's MA benefits effective December 1, 2017 but failed to send Petitioner a Health Care Coverage Determination Notice informing her that her benefits would close.
6. On February 8, 2017, 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.

The Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, 42 USC 601-619, 670-679c, and 1397-1397m-5; the Child Care and Development Block Grant of 1990, PL 101-508, 42 USC 9858 to 9858q; and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193. The program is implemented by 45 CFR 98.1-99.33. The Department administers the program pursuant to MCL 400.10 and provides services to adults and children pursuant to MCL 400.14(1) and Mich Admin Code, R 400.5001-.5020.

CDC

The hearing was requested to dispute the Department's action taken with respect to the CDC benefits. Shortly after commencement of the hearing, Petitioner testified that she now understood the Department's actions and did not wish to proceed with the hearing. The Request for Hearing was withdrawn. The Department agreed to the dismissal of the hearing request. Pursuant to the withdrawal of the hearing request filed in this matter, the Request for Hearing is, hereby, **DISMISSED**.

FAP/MA

In this case, Petitioner submitted an application for FAP and MA benefits. The Department denied the application. It appears that the Department asserted at the November 6, 2017 hearing that Petitioner's application was denied because she failed to submit the required verifications. The Administrative Law Judge conducting the November 6, 2017 hearing reversed the Department and ordered the Department to reregister and reprocess Petitioner's application for FAP benefits.

At the present hearing, the Department testified that it reregistered and reprocessed Petitioner's application in accordance with the November 2017 decision. However, the Department indicated that it denied Petitioner's application for FAP benefits effective December 1, 2017 because she failed to complete and return a New Hire Notice. The Department further testified that it closed Petitioner's MA benefits effective December 1, 2017 for failing to return the New Hire Notice.

The Department sent Petitioner a New Hire Notice on September 5, 2017. The New Hire Notice was required to be returned on or before September 15, 2017. The Department testified that Petitioner failed to return the New Hire Notice. In the first hearing, the evidence established that the Department failed to send Petitioner a Notice of Case Action which would have notified her as to why her application for benefits was denied. Further, the Department sent Petitioner a Health Care Coverage Determination Notice on September 21, 2017 which indicated that Petitioner was ineligible for MA benefits effective November 1, 2017 for failure to verify requested information.

Petitioner filed her Request for Hearing for the first hearing on October 2, 2017, which was approximately two weeks after the due date of the New Hire Notice. Because a Notice of Case Action was not sent, it is unclear as to the date the Department denied Petitioner's application. Additionally, the Health Care Coverage Determination Notice was sent after the New Hire Notice was past due. However, when the Department appeared at the November 6, 2017 hearing, it did not raise the issue of Petitioner's failure to return the New Hire Notice, which the Department also considers as a failure to verify requested information.

The evidence at the hearing revealed that the Department reregistered and reprocessed Petitioner's application but relied on a failure to return verification as the reason for the denial of the application. The reliance upon the failure to return the New Hire Notice was improper as it relied on a document that should have been presented at the November 6, 2017 hearing. When the Department reregistered and reprocessed

Petitioner's application, it did not send Petitioner any new requests for verification in an effort to obtain any documentation necessary to determine her eligibility for FAP and MA benefits.

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 denied Petitioner's FAP application and closed Petitioner's MA benefits effective December 1, 2017 for failure to verify requested information.

DECISION AND ORDER

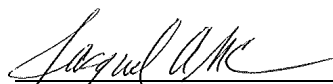
Petitioner's Request for Hearing as it relates to her CDC benefits is **DISMISSED** pursuant to a withdrawal on the record.

The Department's decision is **REVERSED** as it relates to Petitioner's FAP benefits.

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. Reregister and reprocess Petitioner's application for FAP and MA benefits;
2. If Petitioner is eligible for FAP benefits, issue supplements Petitioner was eligible to receive but did not as a result of the denial of her FAP benefits;
3. If Petitioner is eligible for MA benefits, issue supplements Petitioner was eligible to receive but did not as a result of the closure of her MA benefits; and
4. Notify Petitioner 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.

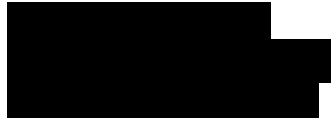
If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings
Reconsideration/Rehearing Request
P.O. Box 30639
Lansing, Michigan 48909-8139

Via Email:

A large black rectangular redaction box covering the email address.

Petitioner – Via First-Class Mail:

A large black rectangular redaction box covering the mailing address.