



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: March 1, 2018
MAHS Docket No.: 18-000560
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

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 February 21, 2018, from Detroit, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by [REDACTED], Hearing Facilitator.

ISSUE

Did the Department properly close the Petitioner's Food Assistance (FAP) case for failure to return a Wage Match?

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 recipient of Food Assistance.
2. The Petitioner was sent a Wage Match Client Notice on December 8, 2017 with a due date of January 8, 2018. The Petitioner returned the Wage Match to the Department on January 17, 2018. Exhibit C. The Petitioner also returned pay stubs to the Department on January 16, 2018.
3. The Department issued a Notice of Case Action on January 9, 2017 closing the Petitioner's FAP case effective February 1, 2018 due to failure to verify requested information. Exhibit B.

4. On December 21, 2017, the Department issued a Health Care Coverage Determination Notice closing the Petitioner's Medical Assistance for Failure to verify information. Exhibit A.
5. The Petitioner reapplied for MA in January 2018 and all group members were certified as eligible for January 1, 2018, except for Petitioner's [REDACTED]. Exhibit D.
6. The Department issued a Health Care Coverage Determination Notice on January 23, 2018, finding Petitioner and her MA group eligible for MA, February 1, 2018 ongoing. Exhibit E.
7. The Petitioner requested a timely hearing on January 26, 2018 protesting 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.

In this case, the Department closed the Petitioner's FAP benefits when it did not receive the Wage Match sent to Petitioner by the due date. The Wage Match was due to be returned January 8, 2018 and was returned by Petitioner after the due date on January 17, 2017. The Petitioner also provided pay stubs to the Department on January 16, 2017. A Notice of Case Action was issued on January 9, 2018 closing the Petitioner's FAP case effective February 1, 2018. The wage match was returned by Petitioner before the negative action date, and before case closure on February 1, 2018. The

Department did not reinstate the FAP case. In addition, the Petitioner's MA was closed effective January 1, 2018. The Petitioner reapplied, and her MA was effective for the month of January 2018, as the Notice approving MA was issued January 22, 2018. However, one of the Petitioner's children, [REDACTED] was approved February 1, 2018 instead of January 1, 2018, the month of application. The Department noted the discrepancy and thought that the eligibility date for February 2018 for [REDACTED] was incorrect. The MA Edg. summary for each MA group member showed eligibility effective January 1, 2018 except for [REDACTED]. Exhibit D, p. 14. Based upon the evidence presented by the Department, it is determined that MA should be effective for [REDACTED] as of January 1, 2018 and this change must be made by the Department.

The Department issued a Notice of Case Action closing Petitioner's FAP case after the Petitioner failed to return the Wage Match sent to her. The Michigan Department of Health and Human Services (MDHHS) routinely matches recipient employment data with the Michigan Talent Investment Agency (TIA). These data exchanges assist in the identification of potential current and past employment income. Employment income is discovered based on social security number of the benefit recipient and is compared to the gross earnings already of record in the Bridges System. The Department must reconcile each match by verifying the information with information in the client's case record. The Department caseworker must verify the following:

- Is the person reported by TIA the MDHHS client?
- Was the client required to report earnings?
- Were the earnings already reported to MDHHS?
- Is a referral to the recoupment specialist needed to pursue an overissuance?

If there is a discrepancy, request verification from the client.

The Department must send a DHS 4638 Wage Match Client Notice which gives the client 30 days to provided verification. BAM 802, (April 2017), pps. 1-2.

When verifications are not returned, BAM 802 requires:

If verifications are not returned by the 30th day, case action will need to be initiated to close the case in Bridges. If the client reapplies, the date the client reapplies determines if the wage match notification must be returned before processing the new application. See the following examples.

Example: Ms. Madison applies for assistance 30 days after case closure was initiated in Bridges. The wage match verification must be returned before processing the application. The case can be opened after verifications are provided. See BAM 117, FAP Expedited Service, for cases meeting expedited criteria.

Ms. Madison applies for assistance 31 days after the case closure was initiated in Bridges. Her case may be opened without wage match verification from the date of the new application, if eligible. BAM 802, pps. 2-3.

The Petitioner had reapplied for FAP and her application was pending verification at the time of the hearing, the Wage Match was presumably returned prior to the application. The Petitioner had also returned the requested pay stubs on January 16, 2018. The Department is allowed to reinstate a FAP case if the Petitioner complied with program requirements before the negative action date. BAM 2015 (January 1, 2018), p. 1. The Negative Action Date is the current date plus 12 days. BPG Glossary, (October 2017), p. 45. In this case the Negative Action Date is January 24, 2018, determined by adding 12 days to the date of the Notice and advancing the date to the next work day because the 11th day fell on a weekend. The Department is to initiate reinstatement by entering the date and reason for reinstatement on the Bridges program request screen, under individual information. Enter any changes in data collection before running EDBC and certifying the reinstatement. Once the reinstatement is certified, any and all benefits due to the client will be issued. BAM 205 (January 2018), pps. 1-2.

Based upon the foregoing evidence it is determined that the Department was required to reinstate the Petitioner's FAP case and process the wage match information to determine changes.

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 failed to reinstate the Petitioner's FAP case.

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 failed to effectuate MA eligibility for minor child, [REDACTED], as of January 1, 2018

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:

1. The Department shall reinstate the Petitioner's FAP case as of the closure date and process the case and the pay stubs and wage match information; and

2. The Department shall correct the MA eligibility begin date for [REDACTED] effective January 1, 2018.

LF/tm



Lynn M. Ferris

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]
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