



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: April 23, 2018
MAHS Docket No.: 18-002699
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 April 19, 2018, from Detroit, Michigan. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by [REDACTED], hearing facilitator.

ISSUES

1. The first issue is whether MDHHS properly terminated Petitioner's Food Assistance Program (FAP) eligibility.
2. The second issue is whether MDHHS properly terminated Petitioner's Medical Assistance (MA) 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. Petitioner was an ongoing FAP and MA benefit recipient.
2. On October 27, 2017, MDHHS mailed Petitioner a Wage Match Client Notice (Exhibit A, pp. 5-6) requesting employment information. The stated due date for Petitioner to return the form was November 27, 2017.
3. On December 7, 2017, MDHHS mailed Petitioner a New Hire Client Notice (Exhibit A, pp. 1-2). The New Hire Client Notice listed a due date of December 18, 2017, for Petitioner to complete and return the form.

4. On December 8, 2017, MDHHS initiated a termination of Petitioner's FAP eligibility, effective January 2018 due to Petitioner's failure to return the Wage Match Client Notice.
5. On January 22, 2018, MDHHS terminated Petitioner's MA eligibility, effective March 2018, due to Petitioner's failure to return the New Client Hire Notice.
6. On March 8, 2018, MDHHS received Petitioner's hearing request which disputed terminations of FAP and MA benefits.

CONCLUSIONS OF LAW

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. MDHHS policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner requested a hearing, in part, to dispute a termination of FAP benefits. MDHHS presented a Notice of Case Action (Exhibit A, pp. 7-10) dated December 8, 2017. The notice informed Petitioner of a termination of FAP benefits effective January 2018 due to Petitioner's alleged failure to verify information. MDHHS testimony clarified that Petitioner specifically failed to return a Wage Match Client Notice.

[MDHHS...] routinely matches recipient employment data with the Michigan Talent Investment Agency (TIA) and the Unemployment Insurance Agency (UIA) through computer data exchange processes. BAM 802 (April 2017) p. 1. These data exchanges assist in the identification of potential current and past employment income. *Id.*

[For FAP benefits, MDHHS is to] [r]equest verification of the wage match earnings by generating a DHS-4638, Wage Match Client Notice, from Bridges. *Id.* The DHS-4638 automatically gives the client 30 days to provide verification. *Id.* [For FAP benefits,] [i]f verifications are not returned by the 30th day, case action will need to be initiated to close the case in Bridges. *Id.*

MDHHS alleged that a Wage Match Client Notice was mailed to Petitioner on October 27, 2017, and that Petitioner failed to return the notice by a due date of November 27, 2017. MDHHS' allegation was consistent with a copy of the notice that was sent to Petitioner (Exhibit A, pp. 5-6). Petitioner did not dispute MDHHS' allegation.

MDHHS subsequently terminated Petitioner's FAP eligibility beginning January 2018. The termination was supported by MDHHS policy. It is found that MDHHS properly terminated Petitioner's FAP eligibility beginning January 2018.

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. MDHHS policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner also requested a hearing to dispute a termination of MA benefits beginning March 2018. MDHHS presented a Health Care Coverage Determination Notice (Exhibit A, pp. 3-4) dated January 22, 2018. The notice informed Petitioner of a termination of MA benefits effective March 2018 due to Petitioner's failure to verify requested information. MDHHS testimony clarified that Petitioner specifically failed to return a New Hire Client Notice.

[MDHHS...] is required to match all Food Assistance Program (FAP) recipients and applicants with the National Directory of New Hires (NDNH) at application and recertification. BAM 813 (January 2015), p. 1. The NDNH is a monthly exchange of information collected from new hire data reported from 54 states and territories and all federal agencies. *Id.*

If the client has not previously reported the new job, verification must be requested by generating a DHS-4641, National Directory New Hire Client Notice, from Bridges. *Id.* When a DHS-4641 is requested, Bridges automatically gives the client 10 calendar days to provide verification from the date the form was requested. *Id.* If verification is not returned by the 10th day, case action will need to be initiated to close the case in Bridges. *Id.*

MDHHS alleged that a New Hire Client Notice was mailed to Petitioner on December 7, 2017, and that Petitioner failed to return the notice by a due date of December 18, 2017. MDHHS' allegation was consistent with a copy of the notice that was sent to Petitioner (Exhibit A, pp. 1-2). Petitioner did not dispute MDHHS' allegation.

MDHHS subsequently terminated Petitioner's MA eligibility beginning March 2018. The termination was supported by MDHHS policy. It is found that MDHHS properly terminated Petitioner's MA eligibility beginning March 2018.

Petitioner testified that she had surgery in December 2017 and recently went through a divorce. Petitioner also testified that she is working two jobs and is unfamiliar with MDHHS requirements to return documents. Petitioner's testimony implied good cause for not returning requested documentation. Petitioner's circumstances are appreciated; however, MDHHS policy does not excuse failures to return documentation for the reasons stated by Petitioner. As discussed during the hearing, Petitioner's recourse is to reapply for benefits.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly terminated Petitioner's FAP eligibility beginning January 2018. It is further found that MDHHS properly terminated Petitioner's MA eligibility beginning March 2018. The actions taken by MDHHS are **AFFIRMED**.

CG/



Christian Gardocki

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]

Petitioner

[REDACTED]
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