RICK SNYDER GOVERNOR

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

SHELLY EDGERTON
DIRECTOR



Date Mailed: May 15, 2018 MAHS Docket No.: 18-002617

Agency No.: Petitioner:

**ADMINISTRATIVE LAW JUDGE: Vicki Armstrong** 

## **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 May 9, 2018, from Lansing, Michigan. Petitioner personally appeared and testified. Petitioner submitted seven exhibits which were admitted into evidence.

The Department of Health and Human Services (Department) was represented by Assistance Payment Worker . Lessified on behalf of the Department. The Department submitted 22 exhibits which were admitted into evidence.

### <u>ISSUE</u>

Did the Department properly increase Petitioner's Food Assistance Program (FAP) benefits beginning April 2018, after timely receiving the requested verifications in March 2018?

#### 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 submitted her FAP redetermination on January 31, 2018.
- 2. On February 16, 2018, the Department mailed Petitioner a Verification Checklist, requesting proof of medical expenses. [Dept. Exh. 20-21].
- 3. On March 7, 2018, the Department received verification of medical expenses. [Dept. Exh. 5].

- 4. On March 8, 2018, Petitioner requested a hearing. [Dept. Exh. 18].
- 5. On March 9, 2018, the Department received the provider statement supporting the ongoing medical expense of dialysis, which Petitioner had been receiving three times a week since October 25, 2016. [Dept. Exh. 11].
- 6. On March 12, 2018, the Department mailed Petitioner a Notice of Case Action indicating that her FAP benefit would increase to \$ a month beginning April 1, 2018 through September 30, 2019. [Dept. Exh. 14-17].

## 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.

In this case, Petitioner credibly testified that in August 2017, she informed her worker that she would be on dialysis the rest of her life and gave her worker an Explanation of Benefit form every month beginning in August 2017. The Department indicated that a medical expense was added on August 11, 2017, and a Notice of Case Action was mailed to Petitioner informing her that her FAP benefits were increasing.

The Department also mailed Petitioner a Notice of Case Action on November 15, 2017, indicating that her FAP benefits were being increased to \$ a month from December 1, 2017 through September 30, 2019. [Petitioner Exh. 5].

The Department did not contest that Petitioner had only sent in Explanation of Benefit forms up until they received her redetermination in January 2018. On receipt of the Explanation of Benefits with the redetermination, the Department determined that the Explanation of Benefits was not sufficient for an on-going medical expense.

The Department mailed Petitioner a Verification Checklist on February 16, 2018, requesting verification of medical expenses in the form of a medical bill or receipt; a health insurance premium notice; or a provider statement of expense. The verifications were due on March 9, 2018. On March 7, 2018, Petitioner provided the medical bill and on March 9, 2018, the provider submitted the statement of expense.

Petitioner contends that she informed the Department in August 2017, that she would be on dialysis the rest of her life, and the Department accepted her Explanation of Benefit statements as proof of her monthly dialysis medical expense. Petitioner stated that the Department never asked her for the actual bill, or a provider statement and increased her FAP benefits beginning September 2017. From September 2017 forward, the Department continued to accept the Explanation of Benefit statements as proof of her recurring dialysis medical expense, until she submitted her redetermination on January 31, 2018. Petitioner stated that if the Department had properly done their job in August 2017 and sent her the Verification Checklist requesting proof of her recurring dialysis medical expense, she would have provided the medical bill and provider statement then, and there would not have been a need for this hearing in her case, or for the decrease of FAP benefits in February and March 2018.

Petitioner's complaints are not within the scope of powers delegated to this Administrative Law Judge. This complaint is a personnel matter and is not within the scope of authority delegated to Administrative Law Judges in the contested case arena.

Departmental policy at BAM 105, p 8, (1/1/2018) indicates that general complaints include, but are not limited to:

- Overdue FAP.
- General FAP complaints.
- •Allegations of inappropriate or rude behavior of the MDHHS staff.
- •Client complaints of FAP closure due to incomplete or untimely recertifications.
- •Allegations the specialist is unresponsive or not acting in a timely manner. *Id.*

Policy instructs that Clients may send complaints about the FAP program to any of the offices listed below:

- The appropriate MDHHS local office or self-service processing center. See the MDHHS directory at MDHHS Internet/Inside MDHHS/County Offices/Map of County Offices for office locations.
- The Food and Nutrition Service (FNS) regional office:

U.S. Department of Agriculture FNS Midwest Regional Office 77 W. Jackson Blvd., 20th Floor Chicago, Illinois 60604-3507

In this case, Petitioner submitted her FAP redetermination on January 31, 2018. On February 16, 2018, the Department mailed Petitioner a Verification Checklist, requesting proof of medical expense, with a due date of March 9, 2018. On March 7, 2018, Petitioner submitted verification of medical expenses. On March 9, 2018, the Department received the provider statement supporting the medical expenses. On March 12, 2018, the Department mailed Petitioner a Notice of Case Action indicating

that her FAP benefit would increase to \$ a month beginning April 1, 2018 through September 30, 2019.

According to Department policy, for non-income changes, the "benefit month cannot be earlier than the month of the change." BAM 220, p 10 (1/1/2018). For example, a \$\frac{1}{2}\$ shelter increase reported on May 15<sup>th</sup> would increase the household's June allotment. *Id.* Following that example, the Department received Petitioner's medical expenses on March 7, 2018 and March 9, 2018. Therefore, it necessarily follows that the change would increase Petitioner's April 2018 allotment.

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department acted in accordance with Department policy when it increased Petitioner's FAP benefits in the month after the Department received the timely requested verifications.

## **DECISION AND ORDER**

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

VLA/nr

Vicki Armstrong
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) 763-0155; 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

