



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ORLENE HAWKS
DIRECTOR



Date Mailed: March 12, 2020
MOAHR Docket No.: 20-001117
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Ellen McLemore

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 March 9, 2020, from Detroit, Michigan. Petitioner was present and represented herself. The Department of Health and Human Services (Department) was represented by Valarie Foley, Hearing Facilitator.

ISSUE

Did the Department properly close Petitioner's Food Assistance Program (FAP) benefit case?

Did the Department properly close Petitioner's and Petitioner's children's Medical Assistance (MA) benefit cases?

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 and Petitioner's children were ongoing MA and FAP recipients.
2. On December 26, 2019, the Department sent Petitioner a DHS-4600, Out of State Benefit Match Notice (Exhibit A, pp. 20-21).
3. On January 6, 2020, Petitioner completed a redetermination related to her FAP and MA benefit cases (Exhibit A, pp. 4-11).
4. On January 6, 2020, Petitioner returned the DHS-4600 (Exhibit A, pp. 22-23).

5. On January 9, 2020, the Department sent Petitioner a Verification Checklist (VCL) requesting various verifications (Exhibit A, pp. 12-13).
6. On January 9, 2020, the Department sent Petitioner a Quick Note informing her that she needed to submit verification that she did not have an active MA case in the State of Arizona (Exhibit A, p. 24).
7. On January 22, 2019, the Department sent Petitioner a Notice of Case Action informing her that her FAP benefit case was closing effective March 1, 2019, ongoing (Exhibit A, pp. 15-19).
8. On January 23, 2020, the Department sent Petitioner a Health Care Coverage Determination Notice (HCCDN) informing her that her and her child's MA benefit cases were closing effective March 1, 2020, ongoing (Exhibit A, pp. 25-28).
9. On [REDACTED], 2020, Petitioner submitted a request for hearing disputing the Department's actions related to her FAP, MA and Child Development and Care (CDC) benefit case.

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).

FAP

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 was an ongoing FAP recipient. On January 6, 2020, Petitioner completed a redetermination related to her FAP benefit case. On January 9, 2020, the Department sent Petitioner a VCL requesting verification of her wages, her son's wages, her checking account and her savings account. Proofs were due by January 21, 2020.

Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (April 2017), p. 1. To request verification of information, the Department sends a verification checklist (VCL) which tells the client what verification is required, how to obtain it, and the due date. BAM 130, p. 3. For FAP cases, the Department allows the client 10 calendar days (or other time limit specified in

policy) to provide the verification that is required. BAM 130 (April 2017), p. 7. Verifications are considered to be timely if received by the date they are due. BAM 130, p. 7. For electronically transmitted verifications (fax, email or Mi Bridges document upload), the date of the transmission is the receipt date. BAM 130, p. 7. Verifications that are submitted after the close of regular business hours through the drop box or by delivery of a Department representative are considered to be received the next business day. BAM 130, p. 7. The Department sends a negative action notice when: the client indicates a 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, p. 7.

The Department testified that on January 21, 2020, Petitioner submitted verification of her son's wages and her checking account. The Department stated that Petitioner did not return the other requested verifications. As a result, the Department closed Petitioner's FAP benefit case.

Petitioner testified that she was terminated from employment on December 28, 2019. Petitioner stated that she did not separate on amicable terms. Petitioner stated she was unable to obtain the verification of her loss of employment. Petitioner stated that she spoke with a Department supervisor and was told to submit a letter stating she was terminated and a copy of her final paycheck. Petitioner timely submitted those items to the Department. Petitioner also testified that she no longer has a savings account at [REDACTED]. Petitioner stated she had previously submitted verification that the account has been closed.

The Department sends a negative action when the client indicates a refusal to provide a verification or the time period given has elapsed and the client has not made a reasonable effort to provide it. Petitioner clearly did not indicate a refusal to provide the verification and made a reasonable effort to comply with the requests for verification. Thus, the Department did not act in accordance with policy when it closed Petitioner's FAP benefit case.

MA

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, Petitioner and her children were ongoing MA recipients. The Department received a Public Assistance Reporting Information System (PARIS) Interstate Match indicating Petitioner and her children received MA benefits in Michigan and Arizona in December 2019. As a result, the Department sent Petitioner an Out of State Benefit

Match Notice on December 26, 2019. The form was due to be returned on January 6, 2020.

The Department routinely matches recipient data with other agencies through automated computer data exchanges. BAM 814 (January 2018), p. 1. The PARIS Interstate Match is a quarterly data matching services used to help determine if a client has received duplicate benefits in two or more states. BAM 814, p. 1. When the Department receives a match alert, the Department will first review the case to determine if the information has already been verified. BAM 814, p. 1. If not, the department will request verification by generating a DHS-4600, Out of State Benefit Match Notice. BAM 814, p. 1. The Department automatically gives the client 10 days to provide verification from the date the form was requested. BAM 814, p. 1. If the verifications are not returned by the due date, the Department will initiate a case action to close the benefit program. BAM 814, p. 2.

The Department testified that Petitioner returned the DHS-4600. Petitioner indicated that her family was not not receiving MA benefits in Arizona. The Department sent Petitioner a Quick Note on January 9, 2020, requesting that Petitioner submit verification that she and her children did not have active MA benefits in Arizona.

Petitioner testified that she has not lived in Arizona since 2009. Petitioner stated that she did not file an application for MA benefits in Arizona. Petitioner stated that she believed that she was a victim of identity theft and reported the information to the State of Arizona. Petitioner stated she was not aware she needed to submit verification that her family was not receiving MA in Arizona.

The Department sent Petitioner notification that she needed to submit verification that she was not an active MA recipient in the Quick Note sent on January 9, 2020. Although Petitioner may not have been the individual that filed the application in Arizona, the Department cannot provide her with MA benefits until there is verification that the MA benefit cases in Arizona were closed. Petitioner did not submit the verification as requested by the Department. Therefore, the Department acted in accordance with policy when it closed Petitioner's MA benefit case.

It should be noted that the present decision does not prevent Petitioner from submitting a new application for MA benefits. Petitioner may also submit a retroactive MA application up to three months.

CDC

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.

The hearing was requested, in part, to dispute the Department's action taken with respect to Petitioner's CDC program benefits. Shortly after commencement of the hearing, Petitioner testified that she did not wish to proceed with the hearing related to her CDC benefit case. 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 related to Petitioner's CDC benefit case is **DISMISSED**.

DECISION AND ORDER

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 acted in accordance with Department policy when it closed Petitioner's and Petitioner's children's MA benefit cases. The Department did not act in accordance with policy when it closed Petitioner's FAP benefit case.

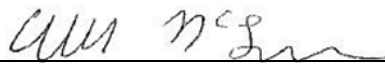
Accordingly, the Department's decision is **AFFIRMED IN PART** with respect to Petitioner's and Petitioner's children's MA benefit cases and **REVERSED IN PART** with respect to Petitioner's FAP benefit case.

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. Redetermine Petitioner's FAP benefit eligibility as of March 1, 2019, ongoing;
2. If Petitioner is eligible for FAP benefits, issue supplements she is entitled to receive; and
3. Notify Petitioner of its decision in writing.

Petitioner's request for hearing related to the CDC program is **DISMISSED**.

EM/cg



Ellen McLemore
Administrative Law Judge
for Robert Gordon, 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 Office of Administrative Hearings and Rules (MOAHR).

A party may request a rehearing or reconsideration of this Order if the request is received by MOAHR 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. MOAHR will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MOAHR. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MOAHR Rehearing/Reconsideration Request.

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

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

Via Email:

MDHHS-Wayne-19-Hearings
M. Holden
D. Sweeney
D. Smith
EQAD
L. Brewer-Walraven
BSC4- Hearing Decisions
MOAHR

Petitioner – Via First-Class Mail:

