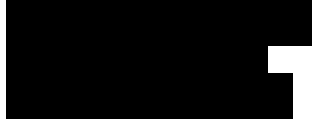




RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR



Date Mailed: September 22, 2017  
MAHS Docket No.: 17-010923  
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 September 20, 2017, from Detroit, Michigan. Petitioner was present and represented herself. The Department of Health and Human Services (Department) was represented by Kathleen Scorpio-Butina, Hearing Facilitator.

**ISSUE**

Did the Department properly deny Petitioner's application for Food Assistance Program (FAP) benefits?

**FINDINGS OF FACT**

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. On [REDACTED], 2017, Petitioner submitted an application for FAP benefits.
2. On May 24, 2017, the Department sent Petitioner a Verification Checklist (VCL) requesting verification of Petitioner's husband's checking and savings accounts; and Petitioner's checking account (Exhibit A, pp. 1-2).
3. On May 25, 2017, Petitioner submitted verification of her husband's checking account.
4. On June 14, 2017, the Department sent Petitioner a Notice of Case Action, informing her that her application for FAP benefits was being denied for her failure

to submit verifications for her checking account and her husband's savings account (Exhibit B, pp. 1-4).

5. On July 14, 2017, Petitioner sent verification of the closure of her husband's savings account and a letter from the financial institution that holds her checking account (Exhibit C).
6. On August 15, 2017, Petitioner submitted 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.

On [REDACTED], 2017, Petitioner submitted an application for FAP benefits. In the application, Petitioner stated that her assets included, in part, a joint checking account between her and her husband, as well as a savings account that was solely in her husband's name.

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 to provide the verification that is required. BAM 130, p. 7. On May 23, 2017, the Department sent Petitioner a VCL requesting that she provide verification of the jointly owned checking account and her husband's savings account. The proofs were due on June 5, 2017.

On May 25, 2017, Petitioner submitted a bank account statement for a checking account that was solely owned by her husband with Chase Bank. Petitioner did not provide verification of her husband's savings account. Petitioner testified that she also submitted a bank account statement from a joint checking account between her and her husband from Christian Financial Credit Union. The Department testified that only the account statement from Chase Bank was received. As a result, on June 14, 2017, the Department sent Petitioner a Notice of Case Action notifying her that her FAP benefit

application was denied for her failure to submit verifications for her checking account and her husband's savings account.

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, 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 MDHHS 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 properly denied Petitioner's application for FAP benefits in the June 14, 2017 Notice of Case Action. Although Petitioner may have attempted to submit verification of her joint checking account on May 25, 2017, she did not submit verification of her husband's savings account prior to the due date of June 5, 2017, or the application denial date of June 14, 2017.

The subsequent processing policy states that the Department will reregister an application for FAP benefits if a client completes the application process after denial, but within 60 days after the application date. BAM 115 (April 2017), p. 23. If the client completes the application process within 30 days of the date of application, the Department will re-register the application using the original application date. BAM 115, p. 23. If the client completes the application process between 31 and 60 days beyond the application date, the Department will re-register the application using the date the client completed the process. BAM 115, p. 24.

On July 14, 2017, Petitioner submitted a statement from Chase Bank verifying the closure of Petitioner's husband's savings account that occurred on March 19, 2015. Petitioner also submitted a letter from Christian Financial Credit Union indicating her and her husband owned a joint account at that institution (Exhibit C). Petitioner testified that she submitted the letter, as opposed to a statement, because she believed she had already submitted a bank account statement from Christian Financial Credit Union on May 25, 2017. Petitioner stated she attempted to contact her worker to determine what additional verifications needed to be submitted, but received no return phone call. Petitioner assumed the issue was that the original bank statement from Christian Financial Credit Union that she believed she had submitted on May 25, 2017, only had her husband's name listed. Petitioner believed she had to obtain verification from the bank to establish that the account was owned both by her and her husband.

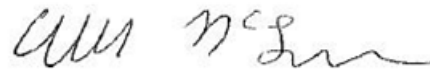
The Department established that it acted in accordance with policy when it failed to subsequently process Petitioner's FAP application. Policy requires that a client must complete the application process within 60 days of the application date. The letter submitted by Petitioner on July 14, 2017, from Christian Financial Credit Union does not indicate what funds, if any, are in the account. Petitioner was specifically advised in the

June 14, 2017 Notice of Case Action that the Department did not have verification of her checking account. The Department was still unable to verify Petitioner's assets with the letter she submitted on July 14, 2017. Therefore, Petitioner never completed the application process. Thus, the Department acted in accordance with policy when it failed to subsequently process Petitioner's application.

**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 denied Petitioner's application for FAP benefits and did not subsequently process the application for FAP benefits.

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



EM/jaf

---

**Ellen McLemore**  
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**

MDHHS-Macomb-20-Hearings

**Petitioner**



BSC4  
M Holden  
D Sweeney  
E McLemore  
MAHS