



GRETCHEN WHITMER  
GOVERNOR

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

ORLENE HAWKS  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED]

Date Mailed: August 9, 2019  
MOAHR Docket No.: 19-007309  
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 August 8, 2019, from Detroit, Michigan. Petitioner was present and represented himself. The Department of Health and Human Services (Department) was represented by Valarie Foley, Hearing Facilitator.

### **ISSUE**

Did the Department properly close Petitioner's Medical Assistance (MA) and Food Assistance Program (FAP) 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 was an ongoing FAP and MA recipient.
2. On May 9, 2019, the Department sent Petitioner a Wage Match Client Notice (Exhibit A, pp. 6-7).
3. Effective June 27, 2019, the Department closed Petitioner's FAP benefit case.
4. On June 28, 2019, the Department sent Petitioner a Health Care Coverage Determination Notice (HCCDN) informing him that his MA benefit case was closing effective August 1, 2019.

5. On [REDACTED] 2019, 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.

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 received a Wage Match for Petitioner regarding his employment at [REDACTED]. As a result, the Department sent Petitioner a Wage Match Client Notice form on May 9, 2019. The form was due to be returned on June 10, 2019.

The Department 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. 3. These data exchanges assist in the identification of potential current and past employment income. BAM 802, p. 1. The Department will request verification of income by sending a DHS-4638, Wage Match Client Notice. BAM 802, p. 2. The Department automatically gives the client 30 days to provide verification. BAM 802, p. 2. If verification is not returned by the 30<sup>th</sup> day, a case action will be sent to the client informing them of the closure of their benefit case. BAM 802, p. 2.

The Department presented Petitioner's electronic case file (ECF) (Exhibit A, pp. 9-10). The ECF consists of scanned documents, arranged by category and identified by a client name, recipient ID or case number, established for a particular client group. BAM 300 (October 2016), p. 1. The ECF contains all forms, documents and other evidence to the group's current and past eligibility. BAM 300, p. 1. The ECF revealed Petitioner did

not return the Wage Match Client Notice. As a result, the Department closed Petitioner's FAP and MA benefit cases.

Per the ECF, employment verification was uploaded to Petitioner's casefile on April 3, 2019. The Department testified that the documentation was a Work Number report showing Petitioner's earnings at [REDACTED]. The Department stated that the Work Number showed Petitioner received his last paycheck from the employer on March 8, 2019. The Department ended the employment as of March 31, 2019. Petitioner testified that he has not worked since February 2019.

The Department is required to remove stopped income from the budget for future months. BEM 505 (April 2017), p. 8. However, the Department must verify income changes that result in a benefit increase or when change information is unclear, inconsistent or questionable BEM 505, p. 14. The Work Number is not an automated system match which must be checked at application, redetermination, semi-annual or mid-certification contact. BEM 501 (October 2018), p. 9. The client has primary responsibility for obtaining verification. BEM 501, p. 9. However, if for example, verification of income is not available because the employer uses the Work Number and won't provide the employment verification, it is appropriate to use the Work Number. BEM 501, p. 9.

Per policy, the Department has the right to request income information even if it is available via the Work Number. There was no evidence presented that Petitioner properly verified the end of his employment at [REDACTED]. Therefore, the Department acted in accordance with policy when it sent Petitioner the Wage Match Client Notice. Per the ECF, Petitioner did not timely verify his income or loss of employment. Thus, the Department acted in accordance with policy when it closed Petitioner's FAP and MA benefit cases.

### **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 FAP and MA benefit cases. Accordingly, the Department's decision is **AFFIRMED**.

EM/cg



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**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  
BSC4- Hearing Decisions  
MOAHR

**Petitioner – Via First-Class Mail:**

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