GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS DIRECTOR



Date Mailed: November 5, 2019 MOAHR Docket No.: 19-010745

Agency No.: Petitioner:

# **ADMINISTRATIVE LAW JUDGE: Kevin Scully**

#### **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; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, a telephone hearing was held on October 31, 2019, from Lansing, Michigan. Petitioner represented herself. The Department of Health and Human Services was represented by Deaondra Broaden.

## <u>ISSUE</u>

Did the Department of Health and Human Services (Department) properly close Petitioner's Medical Assistance (MA) and 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. Petitioner was an ongoing Food Assistance Program (FAP) recipient when the Department sent her a New Hire Client Notice (DHS-4635) requesting verification of employment status and copies of any paycheck stubs received by April 4, 2019. Exhibit A, pp 6-7.
- 2. On April 2, 2019, the Department received Petitioner's New Hire Client Notice (DHS-4635) reporting that the check stub was lost. Exhibit A, pp 6-7.
- 3. On April 3, 2019, the Department sent Petitioner a Verification Checklist (DHS-3503) requesting verification of employment status and earned income by April 15, 2019. Exhibit A, pp 10-11.

- 4. On April 4, 2019, the Department sent Petitioner a Verification of Employment (DHS-38) with a due date of April 15, 2019. Exhibit A, pp 12-13.
- 5. On September 16, 2019, the Department notified Petitioner that she was not eligible for Medical Assistance (MA) as of October 1, 2019. Exhibit A, pp 16-18.
- 6. On September 16, 2019, the Department notified Petitioner that she was not eligible for Food Assistance Program (FAP) benefits as of October 1, 2019. Exhibit A, pp 20-24.
- 7. On September 30, 2019, the Department received Petitioner's request for a hearing appealing food stamps and medical benefits. Exhibit A, p 4.

### **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 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.

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.

Clients must cooperate with the local office in determining initial and ongoing eligibility and this includes the completion of necessary forms. Department of Human Services Bridges Assistance Manual (BAM) 105 (January 1, 2019), p 9.

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. The Department uses documents, collateral contacts, or home calls to verify information. A

collateral contact is a direct contact with a person, organization, or agency to verify information from the client. When documentation is not available, or clarification is needed, collateral contact may be necessary. Department of Human Services Bridges Assistance Manual (BAM) 130 (April 1, 2017), pp 1-10.

Petitioner was an ongoing FAP recipient when the Department sent her a New Hire Client Notice form requesting verification of employment status and copies of any paycheck stubs as verification of earned income. Petitioner returned the form in a timely manner. Petitioner reported that the job was temporary, and also the one check stub she received had been lost.

Since the check stub was not available, the Department then sent Petitioner a Verification Checklist (DHS-3503) requesting verification of employment status and earned income. The Department also sent Petitioner a Verification of Employment form, giving Petitioner to have her employment status and earned income verified by her employer.

On September 16, 2019, the Department had not received verification of Petitioner's employment status, and had not received verification of the income Petitioner had received from this temporary job. Therefore, the Department notified Petitioner that she was not longer eligible for MA and FAP benefits as of October 1, 2019.

Reinstatement restores a closed program to active status without completion of a new application. Closed programs may be reinstated when a recipient complies with program requirements before the negative action date. Court ordered reinstatement. Department of Health and Human Services Bridges Administrative Manual (BAM) 205 (January 1, 2018), p 1.

The evidence supports a finding that the Department requested verification of employment status and earned income in April of 2019, and Petitioner had not verified this information by October 1, 2019.

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 Medical Assistance (MA) and Food Assistance Program (FAP) benefits for failure to provide the Department with information necessary to determine her eligibility to receive benefits.

# **DECISION AND ORDER**

Accordingly, the Department's decision is AFFIRMED.

KS/hb

Ke∜in Scully

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 **DHHS** 

Chelsea McCune 27690 Van Dyke Warren, MI 48093

Macomb County (District 20), DHHS

BSC4 via electronic mail

M. Holden via electronic mail

D. Sweeney via electronic mail

D. Smith via electronic mail

EQADHShearings via electronic mail

**Petitioner** 

