



GRETCHEN WHITMER  
GOVERNOR

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

ORLENE HAWKS  
DIRECTOR

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██████████, MI ██████████

Date Mailed: February 13, 2020  
MOAHR Docket No.: 19-013732  
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 February 5, 2020, from Lansing, Michigan. Petitioner represented herself. The Department was represented by Cynthia Allard and Ryan Clemons.

**ISSUE**

Did the Department of Health and Human Services (Department) properly determine Petitioner's eligibility for cash assistance, Medical Assistance (MA) benefits, 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 Medical Assistance (MA) recipient when the Department initiated an ongoing review of eligibility for ongoing benefits by sending her a Redetermination (DHS-1010) form with a due date of December 4, 2019. Exhibit A, pp 12-19.
2. On December 13, 2019, the Department notified Petitioner that one of her children was not eligible for Medical Assistance (MA) effective January 1, 2019. Exhibit A, pp 20-22.
3. On January 8, 2020, the Department notified Petitioner that six members of her family were eligible for Medical Assistance (MA), but benefits for another child were closed. Exhibit A, p 23.

4. On December 28, 2019, the Department notified Petitioner that she was not eligible for cash assistance, but that the household was eligible for Food Assistance Program (FAP) benefits as a group of seven with a \$460 monthly allotment. Exhibit A, pp 25-32.
5. Petitioner receives Supplemental Security Income (SSI) and Retirement, Survivors, and Disability Insurance (RSDI) benefits. Exhibit A, pp 5-11.
6. On December 30, 2019, the Department received Petitioner's request for a hearing. Exhibit A, pp 3-4.

### **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 Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Department of Human Services) administers FIP pursuant to 45 CFR 233-260, MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3101-.3131.

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.

The State Disability Assistance (SDA) program is established by the Social Welfare Act, MCL 400.1-.119b. The Department of Health and Human Services (formerly known as the Department of Human Services) administers the SDA program pursuant to 42 CFR 435, MCL 400.10 and Mich Admin Code, R 400.3151-.3180.

The State SSI Payments (SSP) program is established by 20 CFR 416.2001-.2099 and the Social Security Act, 42 USC 1382e. The Department administers the program pursuant to MCL 400.10.

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 (October 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.

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

On November 4, 2019, the Department sent Petitioner a Redetermination (DHS-1010) form with a due date of December 4, 2019. The Department's representative testified that only one of Petitioner's children was being reviewed for a determination of ongoing eligibility for MA benefits. On December 13, 2019, the Department notified Petitioner that one of her children was no longer eligible for MA benefits for failure to provide the Department with information necessary to determine the child's eligibility to receive ongoing benefits.

The Department's representative testified that the Redetermination form was returned before the negative action date, and a manual notice of eligibility was mailed on January 8, 2020. The January 8, 2020, notice does not indicate that the closed MA benefits were reinstated as directed by BAM 205.

The Department will verify shelter expenses at application and when a change is reported. If the client fails to verify a reported change in shelter, the Department will remove the old expense until the new expense is verified. Department of Health and Human Services Bridges Eligibility Manual (BEM) 554 (January 1, 2020), p 14.

Petitioner testified that her monthly housing expenses had changed from those used to determine her eligibility for FAP benefits on December 28, 2019. The Redetermination form that was returned was not available during the hearing, and the Department's representative did not know whether a change of housing expenses had been reported.

If a change of housing had been reported but not verified, the Department is directed by BEM 554 to remove that expenses until it is verified. In this case, the hearing record is insufficient to determine what expenses were reported and whether those expenses were verified.

State Disability Assistance (SDA) is a cash program for individuals who are not eligible for FIP and are disabled or the caretaker of a disabled person. An SDA eligibility determination group consists of either a single adult or adult and spouses living together. Department of Health and Human Services Bridges Eligibility Manual (BEM) 214 (April 1, 2019), p 1.

State-funded FIP and SDA clients must sign an agreement to repay interim assistance when pursuing a potential benefit, such as SSI benefits. Department of Health and Human Services Bridges Eligibility Manual (BEM) 272 (January 1, 2018), pp 1-6.

Family Independence Program (FIP) is a cash assistance program. The FIP EDG must include a dependent child who lives with a legal parent, stepparent, or other qualifying caretaker that had not exceeded federal or state benefit limits. A FIP EDG member, who receives SSI, has a FIP EDG participation status of Other Adult or Other Child. The income, assets and needs of an SSI recipient are not considered in determining eligibility for the FIP EDG. Department of Human Services Bridges Eligibility Manual (BEM) 210 (January 1, 2020), pp 1-8.,

Petitioner is an ongoing SSI recipient and the caretaker of minor children. Petitioner is not eligible for SDA benefits.

Petitioner is the caretaker of five minor children and one of the children is an SSI recipient. The SSI recipients of the household are excluded from the FIP EDG, and the eligible member of the group do not receive any income. The household is eligible for FIP benefits as a group of five in the monthly amount of \$694. Department of Health and Human Services Reference Table Manual (RFT) 210 (April 1, 2017), p 1.

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 determined Petitioner's eligibility for Family Independence Program (FIP) and State Disability Assistance (SDA) benefits. The Department did not act in accordance with Department policy when it determined Petitioner's eligibility for the Food Assistance Program (FAP) because monthly housing expenses were not properly verified, and failed to establish that Medical Assistance (MA) for ██████████ ██████████ was properly reinstated as directed by BEM 205.

### **DECISION AND ORDER**

Accordingly, the Department's decision is AFFIRMED with respect to the Family Independence Program (FIP) and State Disability Assistance (SDA) benefits, but REVERSED with respect to the Food Assistance Program (FAP) and Medical Assistance (MA) benefits.

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. Initiate a determination of Petitioner's eligibility for Medical Assistance (MA) for [REDACTED] [REDACTED] as of January 1, 2020.
2. Allow Petitioner a ten-day period to provide verification of her obligation to pay monthly housing expenses.
3. Initiate a determination of Petitioner's eligibility for the Food Assistance Program (FAP) as of February 1, 2020.
4. Provide Petitioner with written notice describing the Department's revised eligibility determination.
5. Issue Petitioner any retroactive benefits she may be eligible to receive, if any.

KS/hb

  
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**Kevin Scully**  
Administrative Law Judge  
for Robert Gordon, Director  
Department of Health and Human Services

