

4. On March 11, 2021, MDHHS approved Petitioner for FAP benefits based on a 4-person group.
5. On March 11, 2021, MDHHS denied Petitioner's application for FIP benefits due to an alleged failure to verify residency.
6. On March 15, 2021, Petitioner submitted to MDHHS his State of Michigan driver's license which included a legible name, city and state of residence, and expiration date.
7. On [REDACTED] 2021, Petitioner requested a hearing to dispute the denial of MA benefits for himself and FIP benefits, as well as FAP eligibility.
8. On June 17, 2021, during an administrative hearing, Petitioner withdrew his dispute of FAP eligibility.
9. As of June 17, 2021, MDHHS had not processed Petitioner's MA eligibility.

CONCLUSIONS OF LAW

The Food Assistance Program [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. MDHHS administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011. MDHHS policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner requested a hearing, in part, to dispute FAP eligibility. Exhibit A, pp. 5-6. Though MDHHS approved Petitioner for FAP benefits, Petitioner questioned whether his FAP eligibility factored all four members of his household. MDHHS responded that Petitioner, his spouse, and two children were factored into his ongoing approval for FAP benefits. MDHHS's testimony was consistent with a Notice of Case Action dated March 11, 2021, stating that Petitioner's FAP benefits were based on a group size of four persons. After hearing MDHHS's testimony, Petitioner withdrew his hearing request disputing FAP benefits. MDHHS had no objection. Concerning FAP eligibility, Petitioner's hearing request will be dismissed.

The Family Independence Program 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. MDHHS 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. MDHHS policies are contained in the BAM, BEM, and RFT.

Petitioner also requested a hearing to dispute a denial of FIP benefits. Exhibit A, pp. 5-6. Petitioner's application dated [REDACTED], 2021, requesting FIP benefits was

presented. Exhibit A, pp. 8-24. A Notice of Case Action dated March 11, 2021, stated that Petitioner was denied FIP benefits due to a failure to verify residency.² Exhibit A, pp. 54-59.

For FIP, a person must be a Michigan resident. BEM 220 (July 2019) p. 1. Unless a client is homeless, an address must be verified. *Id.*, p. 6. Acceptable verification includes a driver's license. *Id.*, p. 7.

Petitioner submitted a copy of his Michigan driver's license to MDHHS on March 15, 2021.³ Exhibit A, pp. 63-64. Petitioner's submitted document was quite blurry. MDHHS testified that Petitioner's license was unacceptable verification of residence because it was not legible. Indeed, Petitioner's street number and expiration date were not legible; however, other information was legible.

If a verification is partially legible, MDHHS is to document the case with actual verification received. BAM 130 (April 2017) p. 4. MDHHS is to include additional details such as whether the document was reviewed, if it appears to be authentic, and any visible information. *Id.* A close reading of Petitioner's license could identify his name, city and state of residence, and license expiration year. Given the legible information, MDHHS could have accepted the license as verification of Petitioner's residency. Even if Petitioner's street number was not legible, MDHHS possessed a bank statement with a legible address as corroboration of Petitioner's address. Exhibit A, pp. 65-66. If MDHHS rejected the bank statement as acceptable verification, it could have at least informed Petitioner of the issue so he could rectify it. No evidence suggested that MDHHS informed Petitioner of the partially illegible submission before denying his case.

For all programs, MDHHS is to tell the client what verification is required, how to obtain it, and the due date. BAM 130 (April 2017), p. 3. MDHHS is to send a VCL to request verification. *Id.* MDHHS is to allow the client at least 10 calendar days (or other time limit specified in policy) to provide the verification that is requested. *Id.*, p. 7. MDHHS is to send a negative action notice when:

- The client indicates refusal to provide a verification, or
- The time period given has elapsed and the client has not made a reasonable effort to provide it. *Id.*

More problematic for MDHHS is that it denied Petitioner's FIP application for a failure to verify residency before its policy allowed. MDHHS sent Petitioner a VCL on March 4, 2021, giving Petitioner until March 15, 2021 to submit a copy of a driver's license. Exhibit A, pp. 49-51. Inexplicably, MDHHS denied Petitioner's application on [REDACTED]

² MDHHS testified that Petitioner was denied FIP due to excess income. Petitioner may be ineligible for FIP due to excess income; however, the stated written explanation for denial was a failure to verify residency.

³ Petitioner's submission occurred after his case was denied. Wisely, MDHHS did not attempt to claim that Petitioner's submission was untimely because MDHHS received it on the due date listed on a Verification Checklist sent to Petitioner on March 4, 2021. Exhibit A, pp. 49-51.

2021: only seven days after sending a VCL. Exhibit A, pp. 54-59. MDHHS cannot cure its premature application denial by blaming Petitioner's partially illegible submission.

Given the evidence, MDHHS failed to provide Petitioner with the required time to return verification of his address. As a remedy, Petitioner is entitled to reprocessing of his application for FIP benefits.

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. MDHHS policies are contained in the BAM, BEM, and RFT.

Petitioner lastly requested a hearing to dispute MA eligibility. Exhibit A, pp. 5-6. MDHHS approved Petitioner's wife and children for MA benefits on February 10, 2021. Exhibit A, pp. 25-27. Petitioner's only dispute was that MDHHS did not approve him for MA benefits.

During the hearing, MDHHS initially claimed that Petitioner was denied MA because he reported during an application interview that he received MA benefits from another state. Petitioner denied making such a statement to MDHHS. Curiously, MDHHS did not document Petitioner's statement on an interview document where such a statement should be documented. Exhibit A, pp. 39-42. MDHHS claimed that Petitioner's alleged statement was documented within comments associated with Petitioner's case; however, such comments were not presented.

During the hearing, MDHHS was asked for the written notice denying Petitioner's application for MA benefits. MDHHS testified that it sent a written notice approving Petitioner for MA in February 2021, but no notice was sent for Petitioner's ongoing eligibility.

MDHHS must inform the client of the reason for closure in a written notice. BAM 220 (April 2019) p. 2. Notices must include the action taken by MDHHS, the reason for the action, the specific manual item which cites the legal basis for action, an explanation of the right to request a hearing, and the conditions under which benefits may be continued if a hearing is request. *Id.*, pp. 2-3.

MDHHS failed to establish that written notice addressing Petitioner's ongoing MA eligibility was mailed. Generally, a failure to issue written notice is consistent with a failure to process. Despite MDHHS's claim that Petitioner's application was denied, there was no persuasive evidence that Petitioner's application was processed.

MDHHS is to certify program approval or denial of MA applications within 45 days. BAM 115 (January 2021) p. 16. As of the date of hearing, much longer than 45 days had elapsed from Petitioner's application for MA benefits.

Given the evidence, MDHHS failed to process Petitioner's application for MA benefits within its standards of promptness. As a remedy, Petitioner is entitled to immediate processing of his MA application.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that Petitioner withdrew his dispute over FAP eligibility. Concerning the dispute of FAP eligibility, Petitioner's hearing request is **DISMISSED**.

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS failed to properly process Petitioner's application for FIP and MA benefits. It is ordered that MDHHS commence the following actions within 10 days of the date of mailing of this decision:

- (1) Register Petitioner's application for FIP benefits dated [REDACTED], 2021 and process subject to the finding that MDHHS either possessed acceptable verification of residency and/or improperly denied Petitioner's application before allowing Petitioner sufficient time to submit proof of residency;
- (2) Process Petitioner's application for MA benefits dated [REDACTED], 2021, subject to the finding that MDHHS failed to send notice of Petitioner's ongoing MA eligibility and/or process Petitioner's application; and
- (3) Issue notice and any supplement of benefits in accordance with policy.

The actions taken by MDHHS are **REVERSED**.

CG/tm



Christian Gardocki
Administrative Law Judge

