



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], MI [REDACTED]

Date Mailed: April 7, 2022
MOAHR Docket No.: 22-000596
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 hearing was held via telephone conference line on April 4, 2022. Petitioner did not participate. [REDACTED], Petitioner's mother, participated as Petitioner's authorized hearing representative (AHR). The Michigan Department of Health and Human Services (MDHHS) was represented by Corlette Brown, hearings facilitator, and Kalyn Jones, specialist.

ISSUE

The issue is whether MDHHS properly processed 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], 2022, Petitioner applied for FAP benefits.
2. On January 19, 2022, Petitioner's AHR reported to MDHHS that Petitioner was employed.
3. On January 19, 2022, MDHHS mailed Petitioner a Verification Checklist requesting 30 days of employment income documents by January 31, 2022.
4. On February 9, 2022, MDHHS denied Petitioner's application for FAP benefits due to a failure to timely return income verifications.

5. On February 10, 2022, MDHHS received Petitioner's employment income verifications.
6. On February 15, 2022, Petitioner's AHR requested a hearing to dispute the denial of FAP benefits.
7. As of April 4, 2022, MDHHS had not subsequently processed Petitioner's application.

CONCLUSIONS OF LAW

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

Petitioner's AHR requested a hearing to dispute a denial of FAP benefits. Exhibit A, p. 3. Petitioner applied for FAP benefits on January 11, 2022. Exhibit A, pp. 8-18. A Notice of Case Action dated February 9, 2022, stated that Petitioner's application for FAP benefits was denied due to a failure to verify employment income. Exhibit A, p. 5 and 19.

Wages are the pay an employee receives from another individual organization or S-Corp/LLC. BEM 501 (July 2021) p. 6. For FAP, wages must be verified at application. *Id.*, p. 10

For all programs, MDHHS is to tell the client what verification is required, how to obtain it, and the due date. BAM 130 (July 2021) p. 3. MDHHS is to use the DHS-3503, Verification Checklist (VCL), to request verification. *Id.* MDHHS is to allow the client 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.*

MDHHS credibly testified that Petitioner's AHR reported on January 19, 2022, that Petitioner was employed. On the same date, MDHHS mailed a VCL requesting 30 days of income verifications by January 31, 2022. MDHHS received the verifications on February 10, 2022.¹

¹ Petitioner's AHR initially testified that she sent the verifications to MDHHS on February 9, 2022. After some questioning, Petitioner's AHR acknowledged that she sent the verifications to MDHHS on February 10, 2022.

Petitioner's AHR claimed she did not receive the VCL dated January 19, 2022, until January 27, 2022. There was no evidence that Petitioner's AHR requested an extended due date. Petitioner's AHR also did not explain why she was unable to return verifications earlier than February 10, 2022.

Given the evidence, MDHHS properly denied Petitioner's application for FAP benefits on February 9, 2022. However, Petitioner's submission received by MDHHS the following date merits an analysis of subsequent processing.

MDHHS is to perform "subsequent processing" when a client completes the application within 60 days after the application date. BAM 115 (July 2021) p. 25. If a client completes the application process by the 30th day, MDHHS is to register the application for the original application date. *Id.* If a client completes the application process between the 31st and 60th days after application, the application is to be registered for the date that the client completed the application process. *Id.*

Petitioner applied on [REDACTED], 2022. MDHHS's receipt of verifications on February 10, 2022 completed the application process. Petitioner's compliance occurred on the 30th day following the application date.² By completing the application process on the 30th day, Petitioner was entitled to a subsequent processing back to the original application date. As of the hearing date, MDHHS had not subsequently processed Petitioner's application. As a remedy, MDHHS will be ordered to subsequently process Petitioner's application.

² MDHHS argued that the application date counts as the first day of the application process. MDHHS's argument is inconsistent with its policy which discusses compliance "within 60 days after the application date." (emphasis added) BAM 115 (July 2021) p. 25.

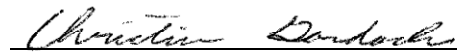
DECISION AND ORDER

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

- (1) Re-register Petitioner's application dated [REDACTED], 2022 requesting FAP benefits; and
- (2) Process Petitioner's application subject to the finding that Petitioner completed the application process on the 30th day following application.

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

CG/mp



Christian Gardocki
Administrative Law Judge

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

Email Recipients:

MDHHS-Wayne-31-Grandmont-Hearings
D. Sweeney
M. Holden
MOAHR
BSC4

First-Class Mail Recipients:

[REDACTED]
[REDACTED]
[REDACTED], MI [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED], MI [REDACTED]