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

ORLENE HAWKS DIRECTOR



Date Mailed: August 5, 2022 MOAHR Docket No.: 22-002946

Agency No.: Petitioner:

ADMINISTRATIVE LAW JUDGE: Linda Jordan

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 on August 4, 2022 via teleconference. Petitioner appeared and represented herself. Raven Douthard, Hearings Facilitator, represented the Michigan Department of Health and Human Services (MDHHS or Department).

<u>ISSUE</u>

Did MDHHS properly process Petitioner's Food Assistance Program (FAP) Redetermination?

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 recipient of FAP benefits on behalf of herself and her children.
- 2. On June 23, 2022, Petitioner uploaded her FAP Redetermination through the MI Bridges online portal (Exhibit A, p. 1). The FAP Redetermination was uploaded prior to Petitioner's redetermination month of July 2022 (Exhibit A, p. 1).
- 3. On July 11, 2022, the MDHHS specialist processed the Redetermination and conducted a telephone interview with Petitioner (Exhibit A, p. 1).
- 4. On July 11, 2022, MDHHS sent Petitioner a Verification Checklist (VCL) requesting verification of her employment income and rental expenses (Exhibit A, p. 1). The VCL was due July 22, 2022 (Exhibit A, p. 1).

- 5. On July 26, 2022, MDHHS closed Petitioner's case for failure to return the employment-related VCL.
- 6. On 2022, Petitioner filed a hearing request to dispute the processing of her Redetermination (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 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.

In this case, Petitioner filed a hearing request regarding MDHHS' failure to process her FAP Redetermination timely, which resulted in a termination of her FAP benefits.

MDHHS is required to periodically redetermine or renew an individual's eligibility for active benefit programs, including FAP. BAM 210 (April 2022), p. 1. For FAP, benefits stop at the end of the benefit period unless a redetermination is completed and a new benefit period is certified. *Id.*, p. 3. To receive uninterrupted benefits, the client must file the redetermination by the 15th day of the redetermination month. BAM 210, p. 16. MDHHS is required to complete an interview with the client and may need to request additional verifications to confirm the client's eligibility. Verifications for FAP must be provided by the end of the current benefit period or within ten days after they are requested, whichever allows more time. BAM 210, pp. 18-19. Regarding verification of income, MDHHS is not allowed to deny or terminate assistance because an employer or other source refused to verify income. BAM 210, p. 19.

If a client files an application for redetermination before the end of the benefit period, but fails to take a required action, the case is denied at the end of the benefit period. BAM 210, p. 22. If the client completes the required action within 30 days after the end of the benefit period, MDHHS must re-register the redetermination application using the date the client completed the process and if client is eligible, prorate benefits from the date the redetermination application was registered. BAM 210, p. 22.

Here, it is undisputed that Petitioner filed the Redetermination timely and prior to her redetermination month, which was July 2022. Although Petitioner submitted the Redetermination on June 23, 2022, MDHHS acknowledged that the MDHHS specialist

did not process the Redetermination until July 11, 2022. Also on July 11, 2022, MDHHS completed the eligibility interview with Petitioner by phone and sent Petitioner a VCL requesting employment information from her employer and verification of shelter expenses. The deadline on the VCL was July 22, 2022.

MDHHS testified that it did not receive the employment verification by the deadline of July 22, 2022. Accordingly, it closed Petitioner's FAP case and terminated her benefits on July 26, 2022. This was improper because it was prior to the end of Petitioner's benefit month, which was July 2022. Verifications requested in connection with a redetermination are due by the end of the current benefit period or within ten days after they are requested, *whichever allows more time*. BAM 210, pp. 18-19 (Emphasis added). Therefore, the employment verification was not due until the end of July, which was the end of Petitioner's benefit period.

Petitioner appeared at the hearing and credibly testified that she submitted the Redetermination timely and MDHHS did not process it until after she submitted a hearing request. Petitioner further stated that she complied with MDHHS' requests for verifications in a timely manner. Petitioner stated that her employer faxed the employment VCL to MDHHS on July 20, 2022, prior to the deadline. In addition, Petitioner stated that she submitted her most recent paystubs to MDHHS when she completed her Redetermination in June. MDHHS stated that it did not receive the employment VCL until August 3, 2022. Regardless, MDHHS is not allowed to terminate assistance because an employer or another source fails to verify income. BAM 210, p. 19.

The record shows that Petitioner fully cooperated with the redetermination process and the delay was caused by MDHHS' failure to timely register and process the Redetermination. 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 MDHHS did not act in accordance with Department policy when it processed Petitioner's Redetermination and terminated her benefits.

DECISION AND ORDER

Accordingly, MDHHS' decision is REVERSED.

MDHHS 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. Reinstate Petitioner's FAP case as of July 26, 2022;
- 2. Begin recalculating the FAP budget for July 26, 2022 ongoing;

- 3. If Petitioner is eligible for FAP benefits, issue supplements to Petitioner for any FAP benefits she was eligible to receive but did not from July 26, 2022 ongoing;
- 4. Notify Petitioner of its decision in writing.

LJ/tm

Linda Jordan

Administrative Law Judge

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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-Electronic Mail:

DHHS / Interested Parties

Jeanenne Broadnax Wayne-Taylor-DHHS 25637 Ecorse Rd. Taylor, MI 48180 MDHHS-Wayne-18-Hearings@michigan.gov

M. Holden D. Sweeney BSC4 MOAHR

Via-First Class Mail:

Petitioner

MI