



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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Date Mailed: October 4, 2022
MOAHR Docket No.: 22-003855
Agency No.: ██████████
Petitioner: ██████████

ADMINISTRATIVE LAW JUDGE: Landis Lain

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 telephone hearing was held on September 30, 2022, from Lansing, Michigan. Petitioner ██████████ self-represented at the hearing. The Department of Health and Human Services (Department) was represented by Colleen McKenna, Family Independence Specialist.

ISSUE

Did the Department properly deny Petitioner 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 a FAP benefit recipient.
2. On April 29, 2022, the Department sent Petitioner Notice of cancellation of his FAP benefits because he failed to provide trust documents.
3. Petitioner's Food Assistance benefits were cancelled on June 30, 2022.
4. Petitioner filed an application for the Food Assistance Program (FAP) using a DHS-1171, Assistance Application, on ██████████ 2022.
5. Front-end processing was completed on August 2, 2022, and a DHS-3503, Verification Checklist, was sent to Petitioner to request a copy of his trust

account, based on having previous evidence of a trust in MDHHS' computer system, BRIDGES.

6. Petitioner participated in a telephone interview on August 4, 2022.
7. Petitioner submitted a copy of his trust on August 11, 2022.
8. The trust document was emailed to the Trust Department on August 24, 2022, and Petitioner was notified of this via DHS-3503 sent on the same date.
9. On August 26, 2022, Petitioner requested a hearing to contest the negative action.
10. Results of the evaluation were received on August 30, 2022, and it was determined to be a countable asset for FAP.
11. FAP was approved for Petitioner on August 30, 2022.
12. There is still a requirement for Petitioner to provide a signed written statement of all assets in the trust, and the value of each.
13. For that reason, a DHS-3503 along with a DHS-100, Quick Note, was sent to Petitioner on September 2, 2022.
14. A Pre-Hearing Conference was held on September 6, 2022, and Petitioner indicated that he wished to proceed with the hearing.
15. Petitioner has not provided the Department with proof of all assets in the trust and the value of each asset.
16. On September 8, 2022, the Michigan Office of Administrative Hearings and Rules received a Hearing Summary and attached documents.

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.

Pertinent Department policy dictates:

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. Obtain verification when:

- Required by policy. Bridges Eligibility Manual (BEM) items specify which factors and under what circumstances verification is required.
- Required as a local office option. The requirement must be applied the same for every client. Local requirements may not be imposed for Medicaid Assistance (MA).
- Information regarding an eligibility factor is unclear, inconsistent, incomplete or contradictory. The questionable information might be from the client or a third party.

Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. If the individual indicates the existence of a disability that impairs their ability to gather verifications and information necessary to establish eligibility for benefits, offer to assist the individual in the gathering of such information. (BAM 130, page 1)

Tell the client what verification is required, how to obtain it, and the due date; see Timeliness of Verifications in this item. Use the DHS-3503, Verification Checklist (VCL), to request verification. The client must obtain required verification, but the local office must assist if they need and request help. BAM 130, page 3

Allow the client 10 calendar days (or other time limit specified in policy) to provide the verification that is requested. BAM 130, page 7

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. BAM 130, page 7

If the client cannot provide the verification despite a reasonable effort, extend the time limit up to two times. At renewal if an individual is required to return a pre-populated renewal form, allow 30 calendar days for the form to be returned. BAM 130, page 8

Send a case action notice when:

- The client indicates refusal to provide a verification, or
- The time period given has elapsed.

Only adequate notice is required for an application denial. Timely notice is required to reduce or terminate benefits. BAM 130, pages 8-9

A written notice sent at the time a case action is affected (not pended) which specifies all of the following:

- The action being taken by the department.
- **The reason for the action.**
- The specific manual item which cites the legal basis for the action.
- An explanation of the individual's right to request a hearing.
- The circumstances under which benefits are continued if a hearing is requested. BPG Glossary, page 1

In this case, Petitioner received the verification checklist asking for the trust documents. He did not provide the documents until his FAP benefits were already cancelled. Once the Department determined that the trust contained countable assets, Petitioner was asked to provide proof of the assets and their value, which he did not provide.


The Department Representative testified that the proofs were not provided to the Department.

The Administrative Law Judge finds that the Department has established by the necessary competent, material and substantial evidence on the record that it was in compliance with department policy when it cancelled Petitioner's Food Assistance Program case for failure to provide verification information.

DECISION AND ORDER

Accordingly, the Department's decision is **AFFIRMED**.

LL/ml



Landis Lain
Administrative Law Judge

