GRETCHEN WHITMER GOVERNOR

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

ORLENE HAWKS DIRECTOR



Date Mailed: December 21, 2022 MOAHR Docket No.: 22-005472

Agency No.: Petitioner:

#### ADMINISTRATIVE LAW JUDGE: Danielle Nuccio

#### **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 December 19, 2022. The Petitioner appeared and represented herself. The Department of Health and Human Services (MDHHS) was represented by Channel Allen, Eligibility Specialist and Assistant Payments Worker.

## **ISSUE**

Did MDHHS properly deny Petitioner's application for the Food Assistance Program (FAP) for failure to timely submit the requested verifications?

#### 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 2022, Petitioner applied for FAP. Petitioner reported that she had been employed at Community Thrifty Store (Employer 1) but had recently quit. Petitioner reported that she is not currently employed (Exhibit A, pp. 6-12).
- 2. On November 3, 2022, MDHHS issued a Verification Checklist (VCL) to Petitioner, requesting that she submit verification of loss of employment from Employer 1 and verification of loss of employment from Rhema Warren Operating (Employer 2) by November 14, 2022 (Exhibit A, pp. 18-20).
- 3. On 2022, MDHHS issued a Notice of Case Action to Petitioner, informing her that her FAP application was denied for failure to return verification of loss of employment (Exhibit A, pp. 21-24).

4. On November 28, 2022, MDHHS received Petitioner's timely submitted hearing request, disputing the denial of her FAP application (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 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 disputes that her FAP application was denied for failure to provide verification of loss of employment as requested.

MDHHS denied Petitioner's FAP application for failure to return the requested verifications timely. Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. Verification is usually required at application and redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (January 2022), p. 1. MDHHS must verify income that stopped within the 30 days prior to the application date or while the application is pending before certifying the eligibility for a client. The client must obtain required verification, but the local office must assist if they need and request help. If neither the client nor the local office can obtain verification despite a reasonable effort, use the best available information. If no evidence is available, use your best judgment. BAM, p. 3. MDHHS must allow the client 10 calendar days to provide the verification that is requested. Verifications are considered to be timely if received by the date they are due. MDHHS will issue 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, p. 7 (Emphasis Added). If eligibility fails due to lack of verification of stopped income, a client who reapplies, does not need to verify stopped income if it has been over 30 days. BAM 130, p. 14.

Here, Petitioner reported in her application that she is not currently employed and had quit working for Employer 1 (see Exhibit A, pp. 9-10). MDHHS requested verification of this loss of employment in the VCL. Petitioner testified that she notified MDHHS that she required assistance in obtaining this verification and provided MDHHS with the phone number for Employer 1 but did not receive a response from MDHHS. MDHHS confirmed that Petitioner did provide contact information for Employer 1. MDHHS testified that as of December 14, 2022, MDHHS had conducted a Work Number

database search to confirm Petitioner's loss of employment with Employer 1. When asked why this was not conducted prior to denying Petitioner's application, MDHHS had no explanation. Petitioner had requested MDHHS' assistance in obtaining the requested verification, but MDHHS did not assist her, when they were clearly able to since Employer 1 was listed in the Work Number database. MDHHS could have easily verified Petitioner's loss of employment prior to denying her application, yet they denied her FAP application for failure to submit this verification. Therefore, MDHHS did not act in accordance with policy in denying Petitioner's FAP application for failure to submit verification of loss of employment with Employer 1.

MDHHS also requested Petitioner submit verification of loss of employment with Employer 2. Petitioner testified that she has not worked for Employer 2 since early 2022. This is confirmed through the Consolidated Inquiry database search provided by MDHHS which shows Petitioner did not have income from Employer 2 after 2/2022 (see Exhibit A, p. 14). MDHHS could not provide an explanation for why this loss of employment verification was requested, especially considering that their own database records confirmed Petitioner's assertion that she no longer worked there. Since MDHHS did not have a valid reason for requesting this verification, they should not have denied Petitioner's application for failure to submit the requested verification. Therefore, MDHHS did not act in accordance with policy in denying Petitioner's FAP application for failure to return the requested verification.

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 did not act in accordance with Department policy when it denied Petitioner's FAP application.

## **DECISION AND ORDER**

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

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. Reregister Petitioner's 2022 FAP application;
- 2. Reprocess the application/recalculate the FAP budget for 2022 ongoing;
- 3. If Petitioner is eligible for benefits, issue supplements to Petitioner for any FAP benefits she was eligible to receive but did not from 2022 ongoing;

4. Notify Petitioner of its decision in writing.

DN/mp

**Danielle Nuccio** 

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 <u>Via-Electronic Mail :</u> DHHS

MDHHS-Macomb-20-Hearings

D. Sweeney M. Holden MOAHR BSC4

<u>Via-First Class Mail : Petitioner</u>

