GRETCHEN WHITMER GOVERNOR

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

ORLENE HAWKS DIRECTOR



Date Mailed: February 16, 2023 MOAHR Docket No.: 23-000127

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 February 6, 2023 via teleconference. Petitioner appeared and represented herself. Valarie Foley, Hearings Coordinator, appeared on behalf of the Michigan Department of Health and Human Services (MDHHS or Department).

<u>ISSUE</u>

Did MDHHS properly process Petitioner's application for the Food Assistance Program (FAP) and State Emergency Relief (SER)?

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 and SER. Petitioner's application was not processed timely due to a Department error (Exhibit A, p. 1).
- 2. On 2023, Petitioner submitted another FAP application (Exhibit A, p. 11), requesting FAP benefits for a household of four, reporting that a minor child was temporarily absent from the home (Exhibit A, pp. 11-15).
- 3. On January 5, 2023, Petitioner filed a hearing request to dispute the processing of her FAP and SER application (Exhibit A, p. 4).
- 4. On January 18, 2023, MDHHS registered and processed Petitioner's [12, 2022] FAP and SER application. MDHHS determined that Petitioner was ineligible for FAP and SER due to excess income (Exhibit A, p. 1).
- 5. On January 18, 2023, MDHHS sent Petitioner a Notice of Case Action indicating that her FAP application was denied, effective October 4, 2022 ongoing due to excess

income (Exhibit A, pp. 6-7). MDHHS determined that Petitioner's monthly household income was \$\text{\$\text{MDHHS}}\$ (Exhibit A, p. 7).

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. MDHHS administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

The State Emergency Relief (SER) program is established by the Social Welfare Act, MCL 400.1-.119b. MDHHS administers SER pursuant to MCL 400.10 and Mich Admin Code, R 400.7001-.7049.

In this case, MDHHS acknowledged that it did not process Petitioner's 2022 application for FAP and SER in a timely manner. After Petitioner filed a Request for Hearing, MDHHS registered and processed Petitioner's 2022 FAP and SER application. MDHHS determined that Petitioner was ineligible for the programs because Petitioner exceeded the income limit for a family of six.

Any person has the right to apply for assistance. BAM 110 (October 2022), p. 6. The date of application is the date that the local office receives the minimum information on an application or the filing form. *Id.* After receiving an application or filing form, MDHHS must register the application in Bridges (MDHHS' internal eligibility and case management system) within one workday, unless the individual is already active for the program requested. *Id.*, pp. 8, 20. For SER, MDHHS must also register applications within one day of receipt. ERM 103 (October 2022), p. 2. Following the registration of an application, MDHHS is required to interview the client when required by policy, certify eligibility results within the standard of promptness for each program, and notify the client of the eligibility determination. BAM 115 (October 2022), pp. 1-2.

To assess eligibility for FAP, MDHHS must determine the applicant's household size and then consider all countable earned and unearned income for the FAP group. See generally, BEM 212 (January 2022), BEM 500 (April 2022). To determine eligibility for SER, MDHHS must complete an SER budget in Bridges for each request or application. ERM 103, p. 3; ERM 208.

It is undisputed that MDHHS failed to process Petitioner's ______, 2022 application for FAP and SER in a timely manner. A review of the record also reveals several other problems that occurred in processing Petitioner's applications. First, although MDHHS

processed Petitioner's 2022 application for FAP in January 2023, it only presented a FAP budget for October 2022. It should have included FAP budgets for retroactive, current, and future benefit months. Second, it failed to explain how it determined that Petitioner had a FAP group of six and failed to show that it properly budgeted household earned and unearned income. Petitioner disputed the group size and the amounts that MDHHS used for her income. There was no evidence that MDHHS requested verification of the group size or household income, pursuant to Department policy outlined in BAM 130. Finally, MDHHS failed to present a budget calculation for Petitioner's SER application and failed to show that it notified Petitioner of its decision regarding her SER application and her right to request a hearing, contrary to ERM 103, pp. 3-5.

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 FAP and SER applications.

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:

- 2. Determine Petitioner's eligibility for FAP and SER beginning ongoing, requesting additional verifications from Petitioner regarding eligibility factors, as necessary;
- 3. Issue supplements to Petitioner for any FAP benefits that she was eligible to receive but did not from 2022 ongoing;
- 4. Issue supplements to Petitioner or to Petitioner's service providers for any SER benefits that she was entitled to receive but did not, from 2022 ongoing; and
- 5. Notify Petitioner of its decision(s) in writing.

Linda Jordan

Administrative Law Judge

in da Tordan

LJ/tm

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 : DHHS</u>

Susan Noel Wayne-Inkster-DHHS 26355 Michigan Ave Inkster, MI 48141 MDHHS-Wayne-19-Hearings@michigan.gov

Interested Parties

M. Holden D. Sweeny E. Holzhausen BSC4

Via-First Class Mail : Petitioner

