



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: May 3, 2023
MOAHR Docket No.: 23-001701
Agency No.: [REDACTED]
Petitioner: [REDACTED]

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 April 24, 2023. Petitioner appeared and represented herself. Tom Jones, Assistance Payments Supervisor, represented the Michigan Department of Health and Human Services (MDHHS or Department).

ISSUES

1. Did MDHHS properly deny Petitioner's application for State Emergency Relief (SER) services?
2. Did MDHHS properly deny Petitioner's application for Cash Assistance?
3. Did MDHHS properly close Petitioner's 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 an ongoing recipient of FAP benefits.
2. On March 1, 2023, Petitioner applied for SER and Cash Assistance (Exhibit A, p. 1).

3. On March 3, 2023, MDHHS sent Petitioner a SER Verification Checklist (SER VCL) requesting verification of employment (Exhibit A, p. 6). The VCL indicated that verifications were due by March 10, 2023 (Exhibit A, p. 6).
4. On March 15, 2023, MDHHS sent Petitioner a SER Decision Notice indicating that her SER application was denied for failure to verify certain information (Exhibit A, pp. 8-9).
5. On March 15, 2023, MDHHS sent Petitioner a notice for Cash Assistance, indicating that her application was denied because she did not meet program requirements.
6. On March 15, 2023, MDHHS sent Petitioner a Notice of Case Action, indicating that her FAP case would be closed for failure to return the requested verifications.
7. On March 17, 2023, Petitioner uploaded documents to her MI Bridges account.
8. On March 27, 2023, Petitioner filed a Request for a Hearing disputing the denial of her SER and Cash Assistance applications and the termination of her FAP benefits (Exhibit A, pp. 4-5).

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 State Emergency Relief (SER) Program

SER 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 denied Petitioner's application for SER because she failed to return the requested documentation by the deadline.

After applying for SER, MDHHS is required to verify certain information. Clients must be informed of all verifications that are required and where to return verifications. ERM 103 (October 2022), p. 6. The due date is eight calendar days from the date the DHS-3503, SER Verification Checklist is generated. *Id.* The client must make a reasonable effort to obtain required verifications. *Id.* The specialist must assist if the applicant needs and requests help. *Id.* If neither the client nor the specialist can obtain the verifications despite a reasonable effort, MDHHS must use the best available information. *Id.* If no evidence is available, the specialist must use their best judgment. *Id.* Verifications are considered timely if received by the date they are due. *Id.*

Here, MDHHS requested verification of Petitioner's employment status by sending a SER VCL (Exhibit A, p. 6). The SER VCL stated that proof of Petitioner's employment status was due by March 10, 2023. MDHHS did not receive the requested proof by the deadline, and therefore, it denied Petitioner's application for SER (Exhibit A, p. 8). At the hearing, Petitioner acknowledged that she did not submit the requested verification timely. She also stated that she did not attempt to contact MDHHS to request help with the verifications or to request an extension. Under these circumstances, the record shows that MDHHS properly denied Petitioner's SER application.

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 acted in accordance with Department policy when it denied Petitioner's SER application.

Cash Assistance

The Family Independent Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and 42 USC 601 to 679c. MDHHS administers FIP pursuant to 45 CFR 233-260, MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3101-.3131. The State Disability Assistance (SDA) program is established by the Social Welfare Act, MCL 400.1-.119b. MDHHS administers the SDA program pursuant to 42 CFR 435, MCL 400.10 and Mich Admin Code, R 400.3151-.3180.

FIP, Refugee Cash Assistance (RCA) and SDA are cash assistance programs designed to help individuals and families become self-sufficient. BEM 209 (January 2022), p. 1. When an individual applies for Cash Assistance, MDHHS determines group composition and builds an eligibility determination group (EDG) for these programs in the following order: FIP, RCA and SDA. *Id.* Cash Assistance is available to eligibility determination groups who meet all of the non-financial and financial requirements that are needed to determine eligibility and calculate benefit amounts. *Id.*

At the hearing, Petitioner testified that she applied for Cash Assistance on March 1, 2023. MDHHS stated that it denied Petitioner's application because she did not meet program requirements and sent Petitioner a notice denying her FIP application on March 15, 2023. Petitioner included the FIP/SDA/cash assistance denial as a disputed issue in her Request for a Hearing (Exhibit A, p. 4). Although it was a disputed issue, MDHHS did not present the Cash Assistance application, or the notice containing the decision and reason(s) for the denial at the hearing. The record on this issue is lacking and therefore, the undersigned Administrative Law Judge cannot properly assess whether MDHHS made the correct determination. It is MDHHS' burden to show that it properly processed Petitioner's Cash Assistance application and it failed to do so here.

Accordingly, 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 failed to meet its burden of showing that it acted in accordance with Department policy when it denied Petitioner's Cash Assistance application.

The Food Assistance Program (FAP)

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.

In this case, MDHHS terminated Petitioner's FAP benefits because she failed to return requested verifications regarding her employment status by the deadline.

MDHHS must obtain verification when it is required by policy or information is unclear or incomplete. BAM 130 (January 2023), p. 1. Verification is usually required at application/redetermination and when a reported change affects eligibility or benefit level. *Id.* To obtain verification, MDHHS must tell the client what verification is required, how to obtain it and the due date. *Id.*, p. 3. The client must obtain the requested verification, but the local office must assist the client if they need and request help. *Id.*, p. 3. If neither the client nor the local office can obtain verification despite a reasonable effort, MDHHS must use the best available information. *Id.* If no information is available, MDHHS must use its best judgement. *Id.* MDHHS allows the client ten calendar days to provide the requested verification. *Id.*, p. 7. Verifications are considered timely if received by the date that they are due. *Id.* MDHHS sends a negative action notice when the client indicates a refusal to provide the requested verification, or the time period given on the VCL has lapsed and the client has not made a reasonable effort to provide it. *Id.* Before making a final determination regarding eligibility, MDHHS must give clients a reasonable opportunity to resolve any discrepancies between their statements and information from another source. *Id.*, p. 9.

Here, MDHHS testified that it required verification of Petitioner's employment status due to a reported change, and that it did not receive the requested verification by the deadline. However, there is no evidence in the record that it requested information from Petitioner for FAP eligibility purposes by sending a FAP-specific VCL or that it properly informed her of the deadline. Sending a SER VCL is insufficient because SER and FAP have different verification timelines. Clients are required to supply requested information for SER within eight calendar days. ERM 103, p. 6. Clients are required to return requested verification for FAP within ten calendar days. BAM 130, p. 7. Therefore, the record shows that MDHHS did not properly inform Petitioner of what information was needed and when it was due, contrary to Department policy. Additionally, MDHHS did not present any documentation regarding FAP at the hearing. MDHHS testified that it sent notice to Petitioner on March 15, 2023 stating that her FAP case would be closed, but the effective date of closure is unclear from the record.

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 failed to meet its burden of showing that it acted in accordance with Department policy when it terminated Petitioner's FAP benefits.

DECISION AND ORDER

Accordingly, **AFFIRMED IN PART** with respect to the SER denial and **REVERSED IN PART** with respect to the Cash Assistance denial and FAP termination.

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. Reregister Petitioner's March 1, 2023 application for Cash Assistance and redetermine Petitioner's eligibility for Cash Assistance from the date of application ongoing;
2. Issue supplements to Petitioner for any Cash Assistance benefits that she was eligible to receive but did not from the March 1, 2023 ongoing;
3. Reinstate Petitioner's FAP case from the date of the most recent termination, on or about April 1, 2023;
4. Redetermine Petitioner's eligibility for FAP benefits from the date of the most recent termination, on or about April 1, 2023, ongoing;
5. Issue supplements to Petitioner for any FAP benefits that she was eligible to receive but did not, from the most recent termination, on or about April 1, 2023, ongoing; and
6. Notify Petitioner of its decision(s) in writing.



Linda Jordan
Administrative Law Judge

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

Via-Electronic Mail :

DHHS

Linda Gooden
Oakland County Southfield District III
25620 W. 8 Mile Rd
Southfield, MI 48033
**MDHHS-Oakland-6303-
Hearings@michigan.gov**

Interested Parties

M. Holden
D. Sweeney
B. Sanborn
J. McLaughlin
E. Holzhausen
BSC4

Via-First Class Mail :

Petitioner

██████████
██████████████████
██████████████████ MI ██████████