GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS DIRECTOR



Date Mailed: August 1, 2023 MOAHR Docket No.: 23-003702

Agency No.: Petitioner:

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 via telephone conference line on July 27, 2023. Petitioner appeared and was unrepresented. Petitioner's daughter, testified on behalf of Petitioner. The Michigan Department of Health and Human Services (MDHHS) was represented by Melissa Stanley, hearings facilitator.

<u>ISSUE</u>

The issue is whether MDHHS properly denied Petitioner's Food Assistance Program (FAP) application.

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 2023, Petitioner applied for FAP benefits and reported a stoppage of employment income.
- 2. On June 2, 2023, MDHHS mailed a Verification Checklist (VCL) requesting proof of Petitioner's last 30 days of wages and stopped wages by June 12, 2023.
- On or near June 10, 2023, Petitioner dropped off at MDHHS her most recent two wage documents and a letter from her employer stating she was no longer employed.
- 4. On June 14, 2023, MDHHS denied Petitioner's FAP application due to Petitioner's failure to verify stopped wages and income.

5. On June 27, 2023, Petitioner verbally requested a hearing to dispute the denial of FAP benefits.

CONCLUSIONS OF LAW

The 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 the FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011. FAP policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

MDHHS documented that Petitioner verbally requested a hearing to dispute a denial of FAP benefits. Exhibit A, pp. 3-5. It was not disputed that Petitioner applied for FAP benefits on May 30, 2023, and reported being employed. It was also not disputed that Petitioner reported that employment income recently stopped. A Notice of Case Action dated June 14, 2023, stated that Petitioner's FAP application was denied due to a failure to verify recent and stropped wages. Exhibit A, pp. 19-23.

MDHHS is to verify employment income at application; this includes stopped employment income. BEM 501 (July 2022) p. 10. For all programs, MDHHS is to tell the client what verification is required, how to obtain it, and the due date. BAM 130 (January 2023) p. 3. MDHHS is to use the DHS-3503, Verification Checklist (VCL), to request verification. *Id.* MDHHS is to allow the client 10 calendar days (or other time limit specified in policy) to provide the verification that is requested. *Id.*, p. 7. MDHHS is to 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. *Id*.

MDHHS sent Petitioner a VCL on June 2, 2023, requesting proof of recent wages and stopped wages. Exhibit A, pp. 15-17. MDHHS testified that Petitioner did not return requested proofs by the VCL due date of June 12, 2023, or the application denial date of June 14, 2023. MDHHS's testimony was consistent with Petitioner's Electronic Case File (ECF) which listed no income documents returned by Petitioner before June 14, 2023. Exhibit A, p. 18. The evidence supported that Petitioner's case worker did not receive Petitioner's documents by June 14, 2023.

Petitioner testified she worked as a caretaker for her son who passed away in May 2023; following his death, her employment ended. Petitioner also testified that she returned to MDHHS her two most recent check stubs and a letter from her employer stating that she was no longer employed. Petitioner further testified that she returned requested verifications to the local MDHHS office's drop box approximately 2-3 days before the VCL due date. Petitioner recalled speaking with someone from MDHHS to

¹ An ECF is an electronic collection of a client's submitted documents. BAM 300 (January 2020) p. 1.

express concern that her documents might be misplaced. Petitioner explained that the submitted documents included her middle name, and that MDHHS previously misrouted such documents to a client whose first name was Petitioner's middle name. The details of Petitioner's testimony supported that she was credible.

With Petitioner's and MDHHS's testimony both credible, the possibility exists that Petitioner timely submitted requested proofs and MDHHS lost or misdirected the documents. For the documents to become part of Petitioner's ECF, MDHHS would have to properly scan the documents and upload them to the correct case file. The evidence supported that Petitioner submitted requested verifications timely and that MDHHS did not properly process them. Because Petitioner timely submitted requested wage documents, MDHHS improperly denied Petitioner's application due to a failure to verify information.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS improperly denied Petitioner's FAP benefit application. It is ordered that MDHHS commence the following actions within 10 days of the date of mailing of this decision:

- (1) Reregister and process Petitioner's FAP benefit application dated 2023, subject to the finding that Petitioner submitted to MDHHS proof of wages and stopped employment before June 12, 2023; and
- (2) Issue notice and supplements, if any, in accordance with policy. The actions taken by MDHHS are **REVERSED**.

CG/mp

Christian Gardocki

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

MDHHS-Saginaw-Hearings

D. Sweeney M. Holden MOAHR BSC2

Via-First Class Mail : Petitioner

