



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
SUZANNE SONNEBORN
EXECUTIVE DIRECTOR

MARLON I. BROWN, DPA
ACTING DIRECTOR

[REDACTED] MI [REDACTED]

Date Mailed: February 8, 2024
MOAHR Docket No.: 23-009501
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Caralyce M. Lassner

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 January 29, 2024. Petitioner and his authorized hearing representative, [REDACTED] (AHR) appeared. The Department of Health and Human Services (Department) was represented by Shyla Coleman, Hearings Facilitator and Eligibility Specialist.

ISSUE

Did the Department properly close Petitioner's Food Assistance Program (FAP) benefits effective December 1, 2023 for failure to provide verification of documents?

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 October 4, 2023, a redetermination application for FAP benefits was sent to Petitioner. (Exhibit A, p. 9).
3. On October 23, 2023, Petitioner returned the completed redetermination application to the Department. (Exhibit A, pp. 9 – 15).
4. The redetermination includes an asset section which requires certain information. (Exhibit A, p. 12).

5. Petitioner identified having an asset of “money + accounts” and itemized ownership of a checking account ending in [REDACTED] with a balance of \$1,164.04. (Exhibit A, p. 12).
6. The asset section also asks for disclosure of any sale or transfer of assets within the last 90 days for FAP cases and Petitioner did not indicate any such sales or transfers. (Exhibit A, p. 12).
7. On November 28, 2023, the Department issued a verification checklist (VCL) requesting “Bank Statements for [REDACTED] and/or [REDACTED] account; Bank statement of assets required” and further directed Petitioner to “return a copy of at least one of the requested proof for each verification and person listed below” but did not contain any additional specificity of what the Department required. Verifications were due to the Department by December 8, 2023. (Exhibit A, p. 16).
8. On December 7, 2023, Petitioner submitted his bank statement for a [REDACTED] Bank account, ending in [REDACTED] (CHB) to the Department. (Exhibit A, pp. 4, 19 – 22).
9. Petitioner did not submit any documents related to a [REDACTED] Bank (CIZ) account.
10. On December 11, 2023, the Department issued a Notice of Case Action closing Petitioner’s FAP case effective December 1, 2023 for failure of Petitioner to verify assets. (Exhibit A, pp. 5 – 6).
11. On December 19, 2023, Petitioner requested a hearing disputing the closure of his FAP case. (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.

On December 19, 2023, Petitioner requested a hearing regarding the closure of the FAP case. (Exhibit A, pp. 3 – 4). On December 11, 2023, the Department issued a Notice of Case Action closing Petitioner’s FAP case effective December 1, 2023 due to failure to return verification documents. (Exhibit A, pp. 5 – 6). The Department required

verification of assets to complete Petitioner's redetermination application. (Exhibit A, p. 16).

The Department must redetermine an individuals' eligibility for active programs at least every 12 months¹ which includes a thorough review of all eligibility factors. BAM 210 (October 2023), pp. 1, 3. Benefits cease at the end of the current benefit period unless a redetermination is completed and a new benefit period is certified. BAM 210, p. 3. As part of the redetermination process, verification is usually required. BAM 130 (October 2023), p. 1. To request verification of information, the Department sends a VCL which tells the client what verification is required, how to obtain it, and the due date. BAM 130, p. 3.

In this case, Petitioner was previously certified through November 30, 2023 and due for his annual redetermination. During the redetermination process, the Department requested verification of Petitioner's assets, specifically requesting "Bank Statements for [CIZ] and/or [CHB] account" and instructed Petitioner to "return a copy of at least one of the requested proof for each verification and person listed below." The VCL did not contain any additional detail of what the Department required. (Exhibit A, pp. 16 – 17). At the hearing, the Department explained that it requested verification of Petitioner's CHB account because that was the account Petitioner disclosed in his redetermination and at his FAP interview and the CIZ account because it was disclosed in an Asset Detection Service report run by the Department on June 2, 2022.

In response to the VCL, Petitioner provided a bank statement from CHB, the same account disclosed on his redetermination application, to the Department on December 7, 2023. (Exhibit A, pp. 12, 19 – 22). According to the AHR, Petitioner no longer had any interest in the CIZ account in 2023. Because the VCL requests that Petitioner provide "Bank Statements for [CIZ] **and/or** [CHB] account..." (Exhibit A, p. 16, emphasis added), the VCL did not clearly notify Petitioner that he was required to provide verification of the CIZ account, particularly since Petitioner had only disclosed the CHB account in his redetermination and was, according to the AHR, no longer on the CIZ account. While the Department may be entitled to verification that Petitioner no longer had an interest in the CIZ account, the VCL did not properly notify him of this responsibility.

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 closed Petitioner's FAP case based on a failure to provide documents required by the VCL, as the VCL failed to provide Petitioner with the specific information that was needed and how to obtain it.

¹ In cases with unstable circumstances, a review may be required more frequently. That is not an issue in this case.

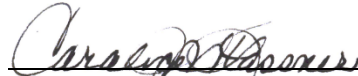
DECISION AND ORDER

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. Reprocess Petitioner's FAP eligibility for December 1, 2023 ongoing; and
2. If Petitioner is determined to be eligible for any supplemental FAP benefits, issue supplemental payments to Petitioner for any FAP benefits he was eligible to receive but did not, for December 1, 2023 ongoing; and
3. Notify Petitioner of its decision in writing.

CML/ml



Caralyce M. Lassner
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

Via Electronic Mail:

DHHS

Jeanenne Broadnax
Wayne-Taylor-DHHS
25637 Ecorse Rd.
Taylor, MI 48180

MDHHS-Wayne-18-Hearings@michigan.gov

Interested Parties

BSC4
M Holden
B Cabanaw
N Denson-Sogbaka

Via First Class Mail:

Authorized Hearing Rep.

[REDACTED]
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[REDACTED] MI [REDACTED]

Petitioner

[REDACTED]
[REDACTED]
[REDACTED] MI [REDACTED]