



GRETCHEN WHITMER
GOVERNOR

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

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DIRECTOR

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

Date Mailed: July 16, 2024
MOAHR Docket No.: 24-006748
Agency No.: [REDACTED]
Petitioner: [REDACTED]

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 on July 11, 2024. Petitioner participated and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Angela Ware, specialist.

ISSUES

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 [REDACTED] [REDACTED] 2024, Petitioner applied for FAP benefits and reported having stopped employment income from One Tax Solution (hereinafter, "Employer") within the past 30 days.
2. On April 26, 2024, MDHHS mailed Petitioner a Verification Checklist (VCL) requesting proof by May 6, 2024, of Petitioner's last 30 days of income from Employer.
3. As of May 1, 2024, MDHHS possessed Petitioner's pay stubs from Employer dated March 11 and March 25, 2024.

4. On May 23, 2024, MDHHS denied Petitioner's FAP application due to Petitioner's failure to verify income.
5. On June 3, 2024, 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 BAM, BEM, and RFT.

Petitioner verbally requested a hearing to dispute a denial of FAP benefits.¹ Exhibit A, p. 4. Petitioner applied for FAP benefits on [REDACTED] 2024. Exhibit A, pp. 6-13. A Notice of Case Action dated May 23, 2024, stated that MDHHS denied Petitioner's application due to Petitioner allegedly failing to verify wages from Employer. Exhibit A, pp. 17-20.

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 mailed Petitioner a VCL on April 26, 2024, requesting proof of Petitioner's last 30 days of wages with Employer by May 6, 2024. Exhibit A, pp. 14-16. MDHHS alleged that Petitioner failed to timely return the requested verification; thus, MDHHS contended, the denial of Petitioner's FAP application was proper. Two considerations suggest otherwise.

MDHHS acknowledged that it possessed Petitioner's pay document dated March 12, 2024 when Petitioner's application was denied.² MDHHS also acknowledged that it received a pay document dated March 25, 2024, from Petitioner on May 1, 2024. Petitioner testified that the pay document dated March 25, 2024 was her last pay document before separating from Employer. Petitioner's testimony was not corroborated, but it was consistent with her application reporting that she stopped

¹ Clients may verbally request a hearing to dispute FAP eligibility. BAM 600 (February 2024) p. 3.

² MDHHS testified that Petitioner submitted the document in March 2024; presumably, Petitioner submitted the document as part of an earlier application requesting FAP benefits.

working for Employer in the past 30 days. If Petitioner's last pay date was March 25, 2024, then MDHHS possessed all of Petitioner's pay documents from the 30 days before the VCL mailing date. Therefore, a denial of an application based on Petitioner's failure to verify the last 30 days of wages would be improper.

Furthermore, MDHHS's VCL request seemed to assume that Petitioner had ongoing wages from Employer, rather than stopped wages. If Petitioner's income from Employer stopped, MDHHS should have requested proof of stopped employment. MDHHS's failure to request proof of stopped employment suggests it misunderstood Petitioner's circumstances and perhaps needlessly requested proof of Petitioner's past 30 days of wages. The possibility of MDHHS misunderstanding the circumstances is increased when factoring that MDHHS sent a VCL several days before it interviewed Petitioner on May 1, 2024.

MDHHS failed to establish that Petitioner failed to timely return proof of wages. Thus, the evidence established that MDHHS improperly denied Petitioner's application for FAP benefits. As a remedy, Petitioner is entitled to a reprocessing of Petitioner's FAP application.

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 reprocess Petitioner's FAP benefit application dated [REDACTED] [REDACTED] 2024, subject to the finding that MDHHS improperly denied Petitioner's application due to a failure to timely verify income;
- (2) Issue notice and supplements, if any, in accordance with policy.

The actions taken by MDHHS are **REVERSED**.

CG/nr



Christian Gardocki

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

Tracy Felder
Wayne-Southwest-DHHS
2524 Clark Street
Detroit, MI 48209
MDHHS-Wayne-41-Hearings@michigan.gov

Interested Parties

BSC4
M. Holden
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B. Cabanaw
MOAHR

Via-First Class Mail :

Petitioner

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