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GOVERNOR

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

ORLENE HAWKS
DIRECTOR

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Date Mailed: June 1, 2022
MOAHR Docket No.: 22-001887
Agency No.: ██████████
Petitioner: ██████████

ADMINISTRATIVE LAW JUDGE: Danielle Nuccio

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 telephone hearing was held on May 26, 2022. The Petitioner appeared and represented herself. The Department of Health and Human Services (MDHHS) was represented by Haysem Hofny, Hearings Coordinator.

ISSUES

1. Did MDHHS properly deny Petitioner's Food Assistance Program (FAP) application for failure to complete the application phone interview?
2. Did MDHHS properly deny Petitioner's State Disability Assistance (SDA) application due to excess income?

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 SDA for a group size of one.
 - a. Petitioner receives \$██████████ per month in Retirement, Survivors, Disability Insurance (RSDI) benefits (Exhibit A, pp. 13-15).
 - b. Petitioner reports no other income for her household.
2. On February 7, 2022, MDHHS attempted to complete a phone interview with Petitioner as part of the FAP application process. Petitioner did not answer the phone call and MDHHS left Petitioner a voicemail message (Exhibit A, p. 7).

3. On February 7, 2022, MDHHS issued an Appointment Notice to Petitioner, informing her that a telephone interview was scheduled for Tuesday, February 15, 2022, at 9:00AM and providing her the necessary details for the interview (Exhibit A, p. 5).
4. On February 15, 2022, MDHHS attempted to complete a phone interview with Petitioner as part of the FAP application process. Petitioner did not answer the phone call and MDHHS left Petitioner a voicemail message (Exhibit A, p. 7).
5. On February 15, 2022, MDHHS sent Petitioner a notice that she missed the required interview to apply for FAP benefits. In this notice, MDHHS advised Petitioner that it was her responsibility to reschedule the interview, otherwise her application would be denied (Exhibit A, p. 6).
6. On March 2, 2022, MDHHS issued a Notice of Case Action informing Petitioner that her FAP application has been denied for failure to complete the interview requirement and SDA application has been denied due to excess income (Exhibit A, pp. 8-12).
7. On April 28, 2022, MDHHS received Petitioner's timely submitted hearing request disputing the denial of her FAP and SDA applications (Exhibit A, p. 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).

Food Assistance Program (FAP)

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.

Petitioner disputes MDHHS's denial of her FAP application for failing to complete the required interview with MDHHS.

Following registration of a FAP application, MDHHS **must** interview clients. BAM 115 (July 2021), p. 1 (Emphasis added). The purpose of the interview is to explain program requirements to the applicant and to gather information for determining the group's eligibility. BAM 115, p. 17-18. During the interview, MDHHS will:

- State the client's rights and responsibilities

- Review and update the application.
- Help complete application items not completed when it was filed.
- Resolve any unclear or inconsistent information.
- Request needed verification not brought to the interview.
- Advise the client of the standard of promptness for processing.
- Make services referrals if needed.
- Confirm if the client needs a MiHealth card and/or Bridge card.
- Advise how and when they receive benefits.

BAM 115, p. 18-19.

FAP interviews must be held by phone by the 20th day after the application date to allow the client at least 10 days to provide verifications by the 30th day. If clients miss an interview appointment, Bridges sends a Notice of Missed Interview, advising them that it is the clients' responsibility to request another interview date. It sends a notice only after the first missed interview. If the client calls to reschedule, the interview will be scheduled prior to the 30th day from application submission, if possible. If the client fails to reschedule or misses the rescheduled interview, the application will be denied on the 30th day after it was submitted. BAM 115, p. 24.

MDHHS testified that they attempted to interview Petitioner on February 7, 2022. Petitioner did not answer the phone call and MDHHS left her a voicemail message. MDHHS then issued an Appointment Notice on February 7, 2022 to Petitioner, informing her that a telephone interview was scheduled for Tuesday, February 15, 2022, at 9:00AM and providing her the necessary details for the interview. MDHHS attempted to interview Petitioner on February 15, 2022. Petitioner did not answer the phone call and MDHHS left her a voicemail message. Petitioner acknowledges that she did not answer either call and did not check her voicemail messages. Petitioner does not dispute that MDHHS attempted to call her on both dates and left her messages. Petitioner does not dispute that MDHHS sent her an Appointment Notice or a Notice of Missed Appointment and states that she does not check her mail regularly. Petitioner did not provide a valid reason for missing either application interview. Since Petitioner has not completed the application interview as required, MDHHS acted in accordance with policy in denying her FAP application.

At the hearing, Petitioner was advised that she may re-apply for FAP benefits at any time and advised to remain alert for mail and phone calls from MDHHS if she applies in the future.

State Disability Assistance (SDA)

The State Disability Assistance (SDA) program is established by the Social Welfare Act, MCL 400.1-.119b. The Department of Health and Human Services (formerly known as the Department of Human Services) administers the SDA program pursuant to 42 CFR 435, MCL 400.10 and Mich Admin Code, R 400.3151-.3180.

In order to be eligible for SDA benefits, an individual must be in financial need. BEM 515 (January 2022), p. 1; BEM 518 (January 2020), p. 1. Financial need exists when the individual's budgetable income is less than the applicable payment standard established by MDHHS and the client passes the issuance deficit test. The payment standard is the maximum benefit amount that can be received by the certified group. BEM 515, p 1; BEM 518, p 1. To perform the issuance deficit test, MDHHS subtracts budgetable income from the applicable payment standard for the benefit month. BEM 518, p 1. Financial need exists if there is at least a \$10.00 deficit after income is budgeted. If there is no deficit, the group is in eligible for assistance. BEM 518, pp.2-3. The SDA payment standard applicable to Petitioner is \$200.00, as she is an individual living alone in an independent living arrangement. RFT 225 (December 2013), p. 1.

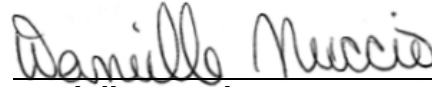
In this case, MDHHS presented an SDA Income Test budget (see Exhibit A, p. 16). MDHHS properly budgeted Petitioner's unearned income in the amount of \$696.10 based on her monthly RSDI benefits amount. Petitioner confirmed this unearned income amount. MDHHS also budgeted self-employment income and earned income. Petitioner disputes these amounts being included in her budget, testifying that she has not been employed or self-employed in many months and did not report that she was at the time of her SDA application. MDHHS could not provide an explanation as to why these income amounts were included in Petitioner's SDA Income Test budget. MDHHS speculated that Petitioner had reported self-employment and earned income in the past and thus they included this information in Petitioner's budget. However, MDHHS based this information from a [REDACTED] 2019 medical assistance application. MDHHS testified that because they could not reach Petitioner for the FAP application interview, they were unable to update her income information and used past information to determine her eligibility for SDA. While MDHHS should not have included income information for previous self-employment or earned income, the unearned income amount used was correct. Therefore, Petitioner's budgetable income is \$696.10. MDHHS properly determined that the payment standard applicable to Petitioner's living circumstances was \$200.00. There was no evidence that Petitioner was eligible for any disregards or deductions to income. Because Petitioner's \$[REDACTED] monthly budgetable income exceeded the \$200.00 SDA payment standard that applied to her case, MDHHS properly denied Petitioner's SDA application due to excess income.

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 FAP application for failure to complete the required interview, and acted in accordance with Department policy when it denied Petitioner's SDA application due to excess income.

DECISION AND ORDER

Accordingly, the MDHHS' decision is **AFFIRMED**.

DN/mp



Danielle Nuccio

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 :

MDHHS-Macomb-36-Hearings
L. Karadsheh
D. Sweeney
M. Holden
MOAHR
BSC4

Via-First Class Mail :

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