



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

[REDACTED]
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Date Mailed: August 8, 2022
MOAHR Docket No.: 22-002868
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Colleen Lack

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 August 2, 2022, from Lansing, Michigan. [REDACTED], the Petitioner, appeared on his own behalf. The Department of Health and Human Services (Department) was represented by Danielle Shanley, Family Independence Specialist (FIS).

During the hearing proceeding, the Department's Hearing Summary packet was admitted as Exhibit A, pp. 1-18.

ISSUE

Did the Department properly close Petitioner's Food Assistance Program (FAP) case?

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's FAP case was due for Redetermination by the end of May 2022.
2. On April 6, 2022, Petitioner completed an online Renew Benefits form for his FAP Redetermination. (Exhibit A, pp. 5-7)
3. On May 24, 2022, the Department discovered through a tax search that Petitioner sold his home on January 28, 2022 for [REDACTED]. (Exhibit A, p. 8)
4. On May 24, 2022, a Verification Checklist was issued to Petitioner requesting verification of home sale proceeds and assets by a June 3, 2022 due date. The

comment section indicated that Department needed to know what the proceeds were from the sale and what Petitioner did with that money. (Exhibit A, pp. 9-11)

5. Petitioner's FAP benefits stopped effective June 1, 2022 because the prior benefit period had ended and Redetermination was not completed for a new benefit period. (FIS Testimony)
6. The Department did not receive a response to the Verification Checklist by the June 3, 2022 due date. (FIS Testimony)
7. On June 15, 2022, a Notice of Case Action was issued to Petitioner, in part stating the FAP case would close effective June 1, 2022 based on the failure to provide requested verifications. (Exhibit A, pp. 12-16)
8. On June 21, 2022, Petitioner submitted a hearing request and a letter he wrote regarding the proceeds from the sale of the home and what it was spent on. (Exhibit A, pp. 3-4 and 17-18)

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.

The Department must periodically redetermine or renew an individual's eligibility for active programs. The redetermination/renewal process includes thorough review of all eligibility factors. BAM 210, April 1, 2022, p. 1. For FAP, Benefits stop at the end of the benefit period unless a redetermination is completed and a new benefit period is certified. BAM 210, p. 3.

A FAP group loses its right to uninterrupted FAP benefits if it fails to: file the FAP redetermination by the timely filing date; participate in the scheduled interview; or submit verifications timely provided the requested submittal date is after the timely filing date. Any of these reasons can cause a delay in processing the redetermination. When the FAP group is at fault for the delay, the redetermination must be completed within 30 days of the compliance date. If there is no refusal to cooperate and the group complies by the 30th day, issue benefits within 30 days of the compliance date. Benefits are not prorated. BAM 210, p. 22.

If a client files an application for redetermination before the end of the benefit period, but fails to take a required action, the case is denied at the end of the benefit period. If the client takes the required action within 30 days after the end of the benefit period, the Department is to: re-register the redetermination application using the date the client completed the process; and if the client is eligible, prorate benefits from the date the redetermination application was registered.

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. BAM 130, January 1, 2022, p. 1.

Client's have a responsibility to report changes to the Department within 10 days of when the client is aware of them, this includes changes with assets. BAM 105, April 1, 2022, p. 12.

Petitioner's FAP case was due for Redetermination by the end of May 2022. On April 6, 2022, Petitioner completed an online Renew Benefits form for his FAP Redetermination. (Exhibit A, pp. 5-7)

However, on May 24, 2022, the Department discovered through a tax search that Petitioner sold his home on January 28, 2022 for [REDACTED]. (Exhibit A, p. 8) Accordingly, on May 24, 2022, a Verification Checklist was issued to Petitioner requesting verification of home sale proceeds and assets by a June 3, 2022 due date. The comment section indicated that Department needed to know what the proceeds were from the sale and what Petitioner did with that money. (Exhibit A, pp. 9-11)

The Department did not receive a response to the Verification Checklist by the June 3, 2022 due date. (FIS Testimony) Accordingly, on June 15, 2022, a Notice of Case Action was issued to Petitioner, in part stating the FAP case would close effective June 1, 2022 based on the failure to provide requested verifications. (Exhibit A, pp. 12-16) Petitioner's FAP benefits had stopped effective June 1, 2022 because the prior benefit period had ended and Redetermination was not completed for a new benefit period. (FIS Testimony) While Petitioner timely completed the Renew Benefits, he failed to take a required action. Specifically, Petitioner failed to respond to the verification checklist by the June 3, 2022 due date. The closure of Petitioner's FAP case was in accordance with Department policy.

Regarding subsequent processing, Petitioner attempted to take the required action within 30 days after the end of the benefit period. On June 21, 2022, Petitioner submitted a hearing request and a letter he wrote regarding the proceeds from the sale of the home and what it was spent on. (Exhibit A, pp. 3-4 and 17-18) The Verification Checklist indicated that a statement from the realtor was an acceptable verification regarding the home sale proceeds. However, Petitioner's written statement indicated he was the listing agent with Century 21. Accordingly, in this case the realtor statement was not sufficient verification for the Department to determine eligibility. As the above cited BAM 130 policy states, verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. The Department

would need additional documentation or other evidence to verify Petitioner's statements. As the Department would not have known who the realtor was when they requested the verifications, the Department could not have been more specific regarding the types of acceptable verification. Similarly, the Department could not be more specific in requesting verification of assets without knowing what Petitioner did with the money from the sale of the home.

Overall, the Department's actions were in accordance with policy. Petitioner lost the right to uninterrupted FAP benefits when he failed to respond to the Verification Checklist by the June 3, 2022 due date. (FIS Testimony) Further, the Department did not receive sufficient verification to be able to determine eligibility to complete the redetermination within 30 days after the end of the benefit period. Therefore, the closure of Petitioner's FAP case must be upheld.

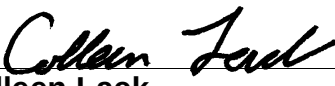
If he has not already done so, Petitioner may wish to reapply for FAP.

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 acted in accordance with Department policy when it closed Petitioner's Food Assistance Program (FAP) benefit case.

DECISION AND ORDER

Accordingly, the Department's decision is **AFFIRMED**.

CL/ml



Colleen Lack
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

Andrea Stevenson (Dhippewa DHHS)
Chippewa County DHHS
463 East 3 Mile Rd.
Sault Ste. Marie, MI 49783

MDHHS-

906EUPHearings@michigan.gov

Interested Parties

BSC2
M. Holden
D. Sweeney
MOAHR

Via First Class Mail :

Petitioner

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