

GRETCHEN WHITMER GOVERNOR

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

MARLON I. BROWN, DPA DIRECTOR



Date Mailed: December 10, 2024 MOAHR Docket No.: 24-012197

Agency No.: Petitioner:

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 by telephone on December 2, 2024. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Michael Fritz, Family Independence Manager.

ISSUE

Did the Department properly determine Petitioner's Food Assistance Program (FAP) eligibility?

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 September 2024, the Department received a completed application for FAP benefits from Petitioner for herself and her daughter, (CR). Petitioner reported that she earned income from two jobs, Right At Home (RAH) and The Medical Team (TMT), and received child support. (Exhibit A, pp. 12 20).
- 2. On October 10, 2024, the Department sent Petitioner a Verification Checklist (VCL) that requested Petitioner provide the following to the Department by October 21, 2024:
 - a. Verification of Petitioner's income from RAH.

- b. Verification of her daughter, Denise Salter's (DS), income and loss of employment from Fed Ex (FE), and
- c. Verification of DS' loss of employment from (AHSL),

(Exhibit A, pp. 21 - 22).

- On October 22, 2024, the Department received requested verification of Petitioner's income from RAH for September 20, September 27, October 4, and October 11, 2024.
- 4. On October 23, 2024, the Department received verification of loss of employment for DS from TMT, and Petitioner advised the Department by telephone that DS never worked for FE.
- 5. On October 24, 2024, the Department sent Petitioner a Notice of Case Action (NOCA) that denied Petitioner for FAP benefits effective September 25, 2024 ongoing for failure to provide verification of income and loss of employment for DS. (Exhibit A, pp. 24 25).
- 6. On November 1, 2024, the Department received a request for hearing from Petitioner, disputing the Department's denial of Petitioner's application. (Exhibit A, pp. 9-11).
- On November 8, 2024, the Department sent Petitioner a NOCA that approved Petitioner for FAP benefits of \$288 per month effective November 1, 2024 ongoing for a four-person FAP group. (Exhibit A, pp. 29 – 30).

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.

Petitioner initially disputed the Department's denial of her 2024 application for FAP for failure to provide requested verifications. After receipt of Petitioner's request for hearing, the Department approved Petitioner for FAP benefits of

\$288 per month effective November 1, 2024 ongoing. At the hearing, Petitioner revised her request and disputed the effective date of the Department's approval of her FAP benefits.

When an individual applies for FAP benefits, the Department is responsible for determining the individual's eligibility, which includes verification of all non-excluded income of all members of the FAP group. BAM 105 (March 2024), pp. 17 – 18; BAM 115 (January 2024), pp. 17 – 19; BEM 500 (April 2022), pp. 13; BEM 501 (January 2024), p. 10; see also BAM 130 (May 2024), p. 1. To obtain verification, the Department must tell the client what verification is required, how to obtain it, and the due date. BAM 130, p. 3. Verifications are considered to be timely if received by the date they are due and, if submitted electronically (fax, email, or MIBridges document upload), the date of the transmission is the receipt date. BAM 130, p. 7. Additionally, when a client completes the application process after denial but on or before the 30th day after the application, the Department is to re-register the application, using the original application date, and if the client is eligible, determine whether to prorate benefits according to initial benefits policy. BAM 115 (May 2024), p. 24.

Here, Petitioner applied for FAP on 2024. In response to Petitioner's application for FAP, the Department sent Petitioner a VCL on October 10, 2024 and requested verification by October 21, 2024 of a) Petitioner's employment income from RAH, b) DS' income and loss of employment from FE, and c) DS' loss of employment from AHSL. (Exhibit A, pp. 21 - 22). During the hearing, the Department testified that Petitioner submitted proof of her employment income from RAH, in the form of paystubs, to the Department on October 22, 2024. The parties agreed that Petitioner advised the Department on October 23, 2024 that DS never worked for FE. The Department testified that although Petitioner did submit a verification of loss of employment for DS from TMT to the Department on October 23, 2024, it was not clear whether TMT was the same as AHSL; Petitioner testified it was. Because Petitioner provided verification regarding DS' loss of employment with TMT, but it was not clear to the Department that the verification was for AHSL and the Department had no record of DS being employed by TMT, the Department should have provided Petitioner an opportunity to resolve the discrepancy before denying Petitioner's FAP case for failure to provide requested verification. BAM 130, p. 9. Therefore, the Department failed establish that that it acted in accordance with Department policy when it denied Petitioner's application for FAP effective 2024.

Although the Department initially denied Petitioner's FAP application for failure to return requested verifications, it testified that the final required verification was received on November 1, 2024 and that it approved Petitioner for FAP benefits effective that date, in accordance with Department policy regarding subsequent processing for clients who complete the application process between the 31st and 60th day following application. BAM 115, p. 24. However, the Department testified that the verification it received on November 1, 2024 was a single paystub for Petitioner from her employment with TMT, and the evidence established that the Department had not requested any verification of Petitioner's employment with TMT. Therefore, although the Department did properly

subsequently process Petitioner's FAP application, because the Department had a) received all verifications it had requested from Petitioner by October 23, 2024, which was within 30 days of Petitioner's FAP application, and b) it had not requested any verifications regarding Petitioner's employment with TMT, it failed to establish that that it acted in accordance with Department policy when it subsequently processed Petitioner's FAP application based on completion of the application process 31 to 60 days after application, and not completion of the process on or before the 30th day after application.

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 failed to establish that it acted in accordance with Department policy when it initially denied Petitioner's FAP application effective 2024, and when it later approved Petitioner for FAP based on subsequent processing for application processes completed between 31 and 60 days after application.

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. Redetermine Petitioner's FAP eligibility effective 2024 ongoing, and request additional verifications if necessary;
- 2. If Petitioner is eligible for any supplemental FAP benefits, issue supplemental payments to Petitioner for any FAP benefits she was eligible to receive but did not; and
- 3. Notify Petitioner of its decision in writing.

CML/nr

Caralyce M. Lassner 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

<u>Via-Electronic Mail : DHHS</u>

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

MDHHS-Wayne-18-Hearings@michigan.gov

Interested Parties

BSC4

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Via-First Class Mail: Petitioner

