

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER:

[REDACTED]

Reg No. 200822055  
Issue No. 6004  
Case No. [REDACTED]  
Load No. [REDACTED]  
Hearing Date: July 23, 2009  
Adoption Subsidy  
Lansing Michigan

**ADMINISTRATIVE LAW JUDGE:** Marlene B. Magyar

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the petitioners' request for a hearing. After due notice, an in-person hearing was held on July 23, 2009. Petitioners appeared and testified on their minor child's behalf.

**ISSUE**

Did the Department of Human Services' (department's) Adoption Subsidy Unit act in compliance with law and policy in denying petitioners' Adoption Support Subsidy request?

**FINDINGS OF FACT**

The Administrative Law Judge, based upon the competent, material, and substantial evidence on the whole record, finds a material fact:

1. On [REDACTED], petitioners' son was initially placed with them in pre-adoptive foster care at just under six months of age [REDACTED].
2. On [REDACTED], his foster parents (petitioners) petitioned the Circuit Court for the right to adopt him after he became a Permanent Court Ward on [REDACTED].

3. On [REDACTED], the Court entered an Order of Adoption, thus finalizing petitioners' status as this child's legal parents (Department Exhibit E).
4. All during this child's time in foster care, the department certified eligibility for a standard daily pay rate without a "Difficulty of Care" (DOC) premium because he manifested no impairments severe enough to meet the level necessary to qualify for an enhanced pay rate (Department Exhibit A, pg 1; Department Exhibit G, pgs 1-14).
5. Petitioners agreed to accept, and did accept, this rate.
6. Before this child's adoption was finalized, specifically on [REDACTED], the department received petitioners' application for an Adoption Support Subsidy (Department Exhibit B, pgs 1 and 2).
7. After the department reviewed this application in light of the required eligibility factors set forth at CFA 750, pgs 1 and 2, they determined petitioners' child did not meet any of the factors listed in CFA 750, c (1)-(8).
8. This departmental policy mandates the minor child must meet at least one of the following factors at the time his/her eligibility for Adoption Subsidy (AS) is being made:
  - 1) The child is SSI eligible.
  - 2) The child has a foster care difficulty of care payment rating at Level Two or higher.
  - 3) The child is 3 years old or older.
  - 4) The child has been in foster care for at least 2 years since the termination of parental rights.
  - 5) The child's biological parents' rights were terminated before August 1, 2002.
  - 6) The child is being adopted by a relative.
  - 7) The child is being adopted by the same parents who previously adopted one of his or her siblings.
  - 8) The child is a member of a sibling group being adopted together.

9. On August 3, 2007, the department denied petitioners' Adoption Subsidy request; consequently, they filed a timely hearing request to dispute this denial (Department Exhibits C, pgs 1 and 2; Department Exhibit F, pgs 1 and 2).
10. Petitioners' hearing was held in [REDACTED] [REDACTED], on July 23, 2009.

### **CONCLUSIONS OF LAW**

The Adoption Subsidy program is established by MCL 400.115, *et seq.*, and is administered by the Department of Human Services (DHS or department) pursuant to MCL 400.10, *et seq.* Department policies regarding adoption subsidy are found in the Services Manual (SM). The federal law upon which Michigan law is based is Title IV-E of the Social Security Act, Section 473(c). Administrative Law Judges for the State Office of Administrative Hearings and Rules (SOAHR) conduct the hearings and complete the decisions. The purpose of the Adoption Subsidy (AS) program is to remove financial barriers to the adoption of foster children with special needs.

#### **ELIGIBILITY FACTOR DETAILS**

The following policies detail the criteria for each eligibility factor.

##### **Child with Special Needs**

At the time of eligibility determination, the child must be a child with special needs. This means that the child must meet each factor in a - c as follows:

- a. The child is under age 18 years.
- b. The court has determined that the child cannot or should not be returned to the home of the child's parents by one of the following specific judicial determinations:
  1. Termination under MCL 712A.19b for a child under court jurisdiction pursuant to MCL 712A.2(b), or

2. Release and termination under MCL 710.29 for a child under court jurisdiction pursuant to MCL 712A.2(b), or
  3. Release and termination under MCL 710.29 and the child is eligible for and receiving SSI.
- c. The child has one of the following specific factors or conditions:
- c-1. The child is SSI eligible as determined by the Social Security Administration.
  - c-2. The child has a special need for medical, mental health, or rehabilitative care that equals or exceeds the DHS foster care Level 2 Determination of Care (DOC), and:
    - . is documented by the DHS-approved DHS 470, 470A, or 1945, and
    - . is supported by the current DHS Updated Service Plan (USP), and
    - . is being paid through the DHS foster care payment system.
  - c-3. The child is age 3 years or greater.
  - c-4. The child has been in foster care for at least 2 years since the termination of parental rights and efforts to locate a family willing to adopt without subsidy have failed.
  - c-5. The parental rights for the child were terminated prior to 8/1/ 02 and the child has lived with the prospective adoptive parent for 12 months or more.
  - c-6. The child is being adopted by a relative (CFF 721).

- c-7 The child is being adopted by the parent(s) of his/her previously adopted sibling.
- c-8 The child is a member of a sibling group being adopted together and at least one sibling group member qualifies for Adoption Support Subsidy through this program. CFA, Item 750, pp. 1-2.

At the time the eligibility determination was being made in this case, the child at issue met none of the above-referenced criteria.

Specifically, this child's biological parents' rights were not terminated until long after 2002 since he wasn't even born until 2005 (c5 not met). Additionally, petitioners were not related to this child, nor had they previously adopted any of his siblings, nor were they planning to do so at the time this AS eligibility determination was being made (c6, c7, c8 not met).

Furthermore, the child never spent the requisite two years (or longer) in foster care between being designated a Permanent Court Ward on [REDACTED] and the adoption finalization date, that being [REDACTED] (c4 not met).

Likewise, this child was not eligible for or receiving SSI at the time his AS eligibility determination was being made, nor did the department ever find him eligible for a premium Level of Care payment at any time during his placement in foster care (c1 and c2 not met). And lastly, the child was not at least three years old at the time AS certification was being requested for him in [REDACTED]. In fact, he was just two years old at that time [REDACTED] (c3 not met). Consequently, the department had no alternative but to deny the disputed application.

This Administrative Law Judge carefully considered the exhibits petitioners submitted at hearing in addition to their compelling, equitable arguments. Now that petitioners have a more appropriate diagnosis of their son's condition they feel an Adoption Support Subsidy should be granted. Although this Administrative Law Judge sympathizes with petitioners' stated needs, to order the department to grant this request would require her to ignore or set aside the governing laws and policy. Administrative Law Judges simply do not have the authority to do so, pursuant to a written directive signed by the Department of Human Services director which states:

Administrative Law Judges have no authority to make decisions on constitutional grounds, overrule statutes, overrule promulgated regulations or overrule or make exceptions to the department policy set out in the program manuals.

