

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

IN THE MATTER:

[REDACTED]

Reg No. 200822056  
Issue No. 6004  
Case No. [REDACTED]  
Load No. [REDACTED]  
Hearing Date: April 9, 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 April 9, 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' daughter was initially placed with them in pre-adoptive foster care at 13 months of age ([REDACTED]).
2. On [REDACTED], her foster parents (petitioners) petitioned the Circuit Court for the right to adopt her.
3. On [REDACTED], the Court entered an Order of Adoption, thus finalizing her status as their legally adopted child (Department Exhibit F).

4. All during this child's time in foster care, the department certified her eligible to receive the standard daily foster care rate, plus a "Level 1" difficulty of care premium (Department Exhibit A, pgs 1-7).
5. The child's mother agreed to this rate by signing the required Determination of Care assessment form (DHS-470)(Department Exhibit A, pg 5).
6. Before the child's adoption was final, specifically on December 6, 2007, 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' daughter did not meet any of the factors listed in CFA 750, c(1)-(8).
8. This 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. Because petitioners' daughter did not meet any of the items listed above at the time her AS application was being processed the department denied petitioners' request by written notice dated January 25, 2008 (Department Exhibit C and D).
10. On May 5, 2008, the department received petitioners' hearing request, subsequently held in [REDACTED], on April 9, 2009 (Department Exhibit G).

### **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 care 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 2007 contemporaneous with her being made a Permanent Court Ward that same month (c5 not met). Additionally, petitioners were not related to this child, nor had they previously adopted any of her siblings, nor were they planning to do so at the time this AS eligibility determination was being made (c6, c7, c8 not met).

Furthermore, this child's biological parents' rights were terminated just five months before the Court finalized her adoption by written Order. Put simply, the child never spent the requisite two years in foster care between being initially designated a Permanent Court Ward (██████████) and the adoption finalization date (██████████)(c4 not met).

Likewise, this child was not eligible for or receiving SSI at the time her AS eligibility determination was being made, nor did the department ever find her eligible for a "Level 2" or greater premium payment at any time during her placement in foster care (c2 not met).

Lastly, the child was not at least three years old (36 months) at the time AS certification was requested for her on ██████████. She was only 32 months old then, and also, she was not eligible for or receiving federal SSI benefits at that time (c1, c3 not met).

The department's policy and relevant facts of record are clear. A minor child must meet at least one of the factors in c(1)-(8) before he/she can be certified eligible for an Adoption Support Subsidy. Petitioners' daughter met none of them. Consequently, the department had no alternative but to deny their disputed application.

This Administrative Law Judge carefully considered the many pages of exhibits petitioners submitted at hearing, in addition to their compelling, equitable arguments. Now that petitioners have a more appropriate diagnosis of their daughter's condition, they feel an Adoption Support Subsidy should be granted to reflect a higher premium Level of Care (2 or above). 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 law 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.

This is because administrative adjudication is an exercise of executive power rather than judicial power, and restricts the granting of equitable remedies. *Michigan Mutual Liability Co v Baker*, 295 Mich 237; 294 NW 168 (1940).

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the department acted in compliance with law and policy in denying petitioner's Adoption Support Subsidy request.

Accordingly, the department's action is AFFIRMED.

\_\_\_\_\_/s/\_\_\_\_\_  
Marlene B. Magyar  
Administrative Law Judge  
For Ismael Ahmed, Director  
Department of Human Services

Date Signed: November 8, 2010

Date Mailed: November 8, 2010

**NOTICE:** The law provides that within 60 days of mailing of the above Decision and Order the claimant may appeal the Decision to the probate court for the county in which the petition for adoption was filed. If the adoptee is a resident of the State, the petition may be filed in the probate court for the county in which the adoptee is found. Administrative Hearings, on its own motion, or on request of a party within 60 days of the mailing date of this Decision and Order, may order a rehearing.

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