

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Claimant,

Reg No: 2009-12563

Issue No: 1018, 1021

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

April 13, 2009

Kent County DHS

ADMINISTRATIVE LAW JUDGE: Jeanne M. VanderHeide

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the Claimant's request for a hearing. After due notice, a telephone hearing was conducted from [REDACTED] on April 13, 2009. The Claimant appeared and testified. Kelly Hudson, FIM and Bernard Macklin, caseworker, appeared on behalf of the Department.

ISSUES

Whether the Department properly denied FIP benefits as of 10/15/08, and whether the Department properly issued a negative action resulting in closure of FIP benefits on 12/30/08.

FINDINGS OF FACT

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

1. Claimant applied for FIP benefits on 10/15/08.
2. The Department denied FIP on 11/19/08 due to employment income reported by [REDACTED]. (Exhibit 1, pp. 4-5).
3. Claimant testified that she never performed any work for [REDACTED].

4. Claimant testified that she called the Department several times and left messages informing the Department that she had not performed any work since her 10/15/08 application.
5. The Department received documentation indicating that Claimant never worked for [REDACTED] on 1/28/09. (Exhibit 1, p. 3).
6. Claimant reapplied for FIP benefits on 12/8/08.
7. Claimant was referred to JET on 12/12/08.
8. Claimant was required to report to the JET STEPS program on 12/30/08.
9. Claimant advised the Department of her lack of transportation on 12/23/08. (Exhibit 1, p. 2).
10. Claimant was unable to report to STEPS due to lack of transportation.
11. Claimant testified that she left several messages at the Department advising the Department about her lack of transportation to appear at the STEPS program.
12. On 12/30/08, the Department issued a negative action for noncooperation and terminated Claimant from the JET program denying her application for FIP benefits. (Exhibit 1, p. 2).
13. On January 8, 2009, the Department received the Claimant's Request for Hearing protesting the denial of FIP benefits from the 10/15/08 and 12/8/08 applications.

### CONCLUSIONS OF LAW

#### **A. FIP Benefits**

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 USC 601, *et seq.* The Department of Human Services (formerly known as the Family Independence Agency) administers the FIP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3101-3131. The FIP program replaced the Aid to Dependent Children (ADC) program effective October 1, 1996. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

Clients must cooperate with the local office in determining initial and ongoing eligibility to provide verification. PAM 130, p. 1. The questionable information might be from the client or a third party. Id. The Department can use documents, collateral contacts or home calls to verify information. Id. The client should be allowed 10 calendar days to provide the verification. If the client cannot provide the verification despite a reasonable effort, the time limit to provide should be extended at least once. PAM 130, p.4; PEM 702. If the client refuses to provide the information or has not made a reasonable effort within the specified time period, then policy directs that a negative action be issued. PAM 130, p. 4. Before making an eligibility determination, however, the department must give the client a reasonable opportunity to resolve any discrepancy between his statements and information from another source. PAM 130, p. 6.

Financial need must exist to receive FIP benefits. Need is determined to exist when budgetable income is less than the payment standard established by the department. Program, living arrangement, grantee status and eligible group size are variables that affect the payment standard. PEM 515, p. 1.

Federal and State laws require each work eligible individual in a FIP group to participate in the Jobs, Education and Training (JET) Program or other employment-related activities unless temporarily deferred or engaged in activities that meet participation requirements. PEM 230A. All work eligible individuals who fail, without good cause, to participate in employment or self-sufficiency-related activities will be penalized. PEM 233A. Failure to appear at a JET program results in noncompliance. Id.

Good cause is a valid reason for noncompliance with employment and/or self-sufficiency related activities that are based on factors that are beyond the control of the noncompliant person. PEM 233A at 4. Good cause includes when the client has a debilitating illness or injury or when

an immediate family member's illness or injury requires in-home care by the client. Id. Good Cause also includes when the client has requested transportation services from DHS, the MWA, or other employment services provider prior to case closure and reasonably priced transportation is not available to the client. PEM 233A at p. 5. The penalty for noncompliance without good cause is FIP closure. Id. at 6. If good cause is established the negative action is to be deleted. Id. at 12.

**1. 10/15/08 FIP Application**

In this case, the Department testified that it received information regarding employment income which was verified by the employer before Claimant's FIP case was closed. Claimant testified credibly, however, that she left messages with the department that she did not have any income and had never started the job at [REDACTED]. The department must give the client a reasonable opportunity to resolve any discrepancy between her statements and information from another source. The evidence reveals that Claimant attempted to clarify the issue of employment income prior to the negative action date. Ultimately, it was shown that Claimant never worked at [REDACTED] and did not have any income to report.

Accordingly, the Department's 11/19/08 denial of FIP benefits is REVERSED.

**2. 12/8/08 FIP Application**

In this case, [REDACTED] gave credible testimony that she did not have transportation to attend the 12/30/08 STEPS program. The Department's own case notes from 12/23/08 indicate that Claimant's barriers were lack of transportation. (Exhibit 1, p. 2). Therefore, Claimant did let the Department know of her transportation issue prior to the required date that she was supposed to appear. This Administrative Law Judge finds that Claimant's lack of transportation constitutes good cause for failure to appear for the STEPS program.

Based upon the foregoing facts and relevant law, it is found that the Department's determination to terminate Claimant from FIP benefits is REVERSED.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department improperly denied Claimant FIP benefits on 11/19/08 and improperly terminated Claimant from the FIP program on 12/30/08.

Accordingly, it is ORDERED:

1. The Department is ORDERED to reopen and reinstate Claimant's 10/15/08 application for FIP benefits.
2. The Department's 12/30/08 negative action for non-cooperation with JET shall be deleted and the Department shall reopen and reinstate Claimant's FIP case.
3. The Department shall supplement the Claimant with any lost benefits she was otherwise entitled to receive.

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/s/  
Jeanne M. VanderHeide  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: 04/21/09

Date Mailed: 04/22/09

**NOTICE:** Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

JV/dj

2009-12563/JV

cc:

