# STATE OF MICHIGAN STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

## ADMINISTRATIVE HEARINGS FOR THE DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

Claimant

Reg. No: 2009-15472

Issue No: 3019, 1021, 6019

Case No:

Load No:

Hearing Date: April 2, 2009

Oakland County DHS

ADMINISTRATIVE LAW JUDGE: Tyra L. Wright

### **HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; and MCL 400.37 upon Claimant's request for a hearing. After due notice, a hearing was held on April 2, 2009. Claimant personally appeared and testified. A family independence manager and an eligibility specialist supervisor represented the Department.

### **ISSUES**

Did the Department act properly in deciding to sanction Claimant by closing her Family Independence Program (FIP) case for failure to attend the Jobs, Education, and Training (JET) program? Did the Department act properly in deciding to close her Food Assistance Program (FAP) and Child Day Care (CDC) cases for failure to verify her self-employment income and expenses?

#### 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 is a recipient of FIP, FAP, and CDC benefits. She receives \$492 in monthly FIP benefits and \$463 in monthly FAP benefits.

- (2) Claimant reported to her caseworker that she had income from doing hair and nails from her home. Consequently, the worker sent her a Self-Employment Income and Expense Statement (DHS 431) which was due on January 26, 2009.
- (3) When claimant had not returned the Self-Employment Income and Expense

  Statement by February 10, 2009, the worker pended her case for closure effective

  February 24, 2009. The case was reinstated when Claimant timely filed a hearing
  request.
- (4) Claimant was scheduled to attend Work First/JET first in on January 12, 2009 or January 22, 2009. She did not attend.
- Claimant was next scheduled to attend Work First/JET in because that location was more convenient for her. She was scheduled to report to the Work First/JET location on January 21, 2009 or January 29, 2009. Claimant did not report on January 21, 2009 due to a court appointment. She told her Work First/JET worker about the court appointment. She did not attend on January 29, 2009 because she was scheduled to begin training for a job at a new restaurant in When she asked her Work First/JET whether she should go to the job training or attend Work First/JET, she was told to attend the training at the
- (6) The Department sent Claimant three negative action notices dated February 10, 2009 to notify her that her FIP case would close on February 24, 2009 (Exhibit 1) due to her failure to attend JET, and, that due to her failure to verify her self-employment income, her FAP and CDC cases would close on February 24, 2009 (Exhibit 2 and 3).

(7) The Department received Claimant's hearing requests on February 17, 2009. The negative actions were suspended until after this hearing.

## **CONCLUSION**

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 for FIP are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

The Food Assistance Program (FAP) (formerly known as the Food Stamp (FS) program) is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations (CFR). The Department of Human Services (formerly known as the Family Independence Agency) administers the FAP program pursuant to MCL 400.10, et seq., and MAC R 400.3001-3015. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

The Child Development and Care program is established by Title IVA, IVE and XX of the Social Security Act, the Child Care and Development Block Grant of 1990, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The program is implemented by Title 45 of the Code of Federal Regulations, Parts 98 and 99. The Department of Human Services (formerly known as the Family Independence Agency) provides services to adults and children pursuant to MCL 400.14(1) and MAC R 400.5001-5015. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual

#### DEPARTMENT POLICY

## FIP, RAP Cash

Federal and State laws require each work eligible individual (WEI) in the FIP and RAP 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. These clients must participate in employment and/or selfsufficiency related activities to increase their employability and obtain stable employment. (PEM 230A, pg. 1)

# NONCOMPLIANCE PENALTIES FOR ACTIVE FIP CASES AND MEMBER ADDS

The penalty for noncompliance without good cause is FIP closure. Effective April 1, 2007, the following minimum penalties apply:

- For the first occurrence on the FIP case, close the FIP for not less than three calendar months unless the client is excused from the noncompliance as noted in <u>First Case</u>

  <u>Noncompliance Without Loss of Benefits</u> below.
- For the second occurrence on the FIP case, close the FIP for not less than three calendar months.
- For the third and subsequent occurrence on the FIP case, close the FIP for not less than 12 calendar months. (PEM 233A, pg. 6)

In this case, it is found that Claimant was transferred to Work First/JET in Novi.

Claimant had good cause for not reporting to the Novi Work First/JET program on January 21, and 29, 2009. First, her JET representative was timely informed of her court date. Moreover, she did not attend JET on January 29, 2009 because she was training for a job at the restaurant. Under these circumstances, it is found that the Department's decision to pend her FIP case for closure on February 24, 2008 for failure to attend JET should be reversed.

The evidence presented established that Claimant failed to submit her Self-Employment Income and Expense Statement by January 26, 2009. In fact, the worker did not act to close her

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case until February 10, 2009, at which time Claimant still had not submitted the Self-

Employment Income and Expense Statement. Under these circumstances, it is found that the

Department acted properly in deciding to close Claimant's FAP and CDC case for failure to

timely submit the requested verification.

**DECISION AND ORDER** 

The Administrative Law Judge, based upon the above findings of fact and conclusions of

law, decides that the Department properly decided to close Claimant's FAP and CDC cases for

failure to timely submit the requested verification, a Self-Employment Income and Expense

Statement.

Accordingly, the Department's determinations to close the FAP and CDC cases are

AFFIRMED.

In addition, The Administrative Law Judge, based upon the above findings of fact and

conclusions of law, decides that the Department improperly decided to close Claimant's FIP case

for failure to attend Work First/JET.

Accordingly, the Department's determination to close the FIP case is REVERSED. The

Department is ORDERED to remove the negative action from her FIP case.

/s/

Tyra L. Wright

Administrative Law Judge for Ismael Ahmed, Director

Department of Human Services

Date Signed: 04/09/09

Date Mailed: 04/10/09

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**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.



