

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: 2009-4847

Issue No: 1018

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

October 12, 2009

Oakland County DHS

ADMINISTRATIVE LAW JUDGE: Jonathan W. Owens

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 October 12, 2009. Claimant appeared and testified.

ISSUE

Did the Department properly determine Claimant was ineligible for Family Independence Program (FIP) benefits?

FINDINGS OF FACT

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

1. On August 7, 2008, the Claimant applied for FIP and FAP.
2. On August 15, 2008, the Department completed a FIP budget and determined the Claimant ineligible for FIP benefits.
3. On October 23, 2008, Claimant told, by phone call to Lansing, case was denied for excess income.

4. On October 27, 2009, the Claimant requested a hearing.

CONCLUSIONS OF LAW

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 (DHS or Department) 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).

In the present case, the Department denied the Claimant FIP due to excess income based on her unemployment benefits. However, the Claimant's benefits were scheduled to run out as of the week of September 13, 2009.

The relevant policy is located in PEM 518 pg. 2:

FINANCIAL NEED

FIP and SDA Only

Financial need exists if:

**There is at least a \$1 deficit after income is budgeted, and
The group passes the child support income test.**

A child support income test is not required for SDA groups.

If the group fails either test, the group is ineligible for assistance. Deny the application or close the case for the benefit month unless the group meets the conditions for Temporary Ineligibility or Extended FIP.

At application, if the group is ineligible due to excess income but a change is expected for the next benefit month, process the second month's benefit determination. If eligible, do not deny the application.

Determine eligibility for medical programs as part of the closure/denial process. See PEM 105 and 640.

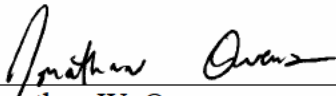
As indicated in above policy, the Department is to determine the first benefit month at application. If the application would be denied for excess income, the Department is to consider the second benefit month if there is an expected change in the amount of monthly income. Here, the Department was able to properly determine the first month of benefits for September 2008 which the Claimant would have had excess income. However, the second benefit month would be October 2008; the Department failed to consider the expected loss of unemployment benefits. The Department has the ability to see how many weeks of unemployment remain for an individual. Barring an extension, the Claimant was due to run out of unemployment benefits in September. The Claimant would therefore have a change in the amount of household income which would make her eligible for FIP benefits.

During the hearing, the Department agreed to review the Claimant's FAP benefits from the point of application, as it appears, benefits for FAP may not have been issued.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds the Department incorrectly denied Claimant's FIP application for excess income.

Accordingly, the Department's decision is REVERSED and the Department is ORDERED to re-process the Claimant's FIP application dated August 7, 2008 and to supplement the Claimant for any and all lost FIP benefits if otherwise eligible.


Jonathan W. Owens
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: 11/24/09

Date Mailed: 11/24/09

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.

JWO/dj

cc:

A large black rectangular redaction box covers the names and contact information of the individuals listed in the 'cc:' field.