

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: 2009-26839  
Issue No: 6019  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
June 15, 2010  
Cass County DHS

ADMINISTRATIVE LAW JUDGE: Suzanne L. Keegstra

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 telephone hearing was held on June 15, 2010. The claimant personally appeared and provided testimony.

ISSUE

Did the department properly deny the claimant's Child Development and Care (CDC) application for excess income in May, 2009?

FINDINGS OF FACT

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

1. The claimant applied for CDC benefits on May 18, 2009. (Department Exhibit 7-11)
2. The claimant submitted two paycheck stubs from her employment with [REDACTED] - [REDACTED]. (Department Exhibit 12 – 13)

3. The claimant was excess income to receive CDC benefits when the income was budgeted. (Department Exhibit 5)

4. The claimant submitted a hearing request on May 22, 2009.

### CONCLUSIONS OF LAW

The Child Development and Care program is established by Titles 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 (DHS or department) provides services to adults and children pursuant to MCL 400.14(1) and MAC R 400.5001-5015. Department policies are contained in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

Department policy states:

#### **INCOME ELIGIBLE**

If the program group does not qualify for one of the categorically eligible groups, determine eligibility for the income eligible group.

Eligibility for this group is based on program group size and non-excluded income received by any member of the program group. (See program group definition in PEM 205).

CDC payments may be provided for income eligible clients who:

- . do not qualify as a member of a categorically eligible group;
- . have a valid need reason;
- . pass the income eligibility test;
- . cooperate with child support requirements (see PEM 255);  
and

- . have child(ren) needing care who meet the U.S. citizenship/alien status requirements as described in PEM 225.

Test the program group's countable income against the Child Development and Care Income Eligibility Scale found in PRT 270, page 1. Department Pay Percent (PEM 705) varies depending on program group size and countable income for all program group members.

Eligibility for CDC for income eligible ends when:

- . the requirements are no longer met, or
- . the family has excess income, or
- . the need no longer exists. PEM, Item 703, pp. 14-15.

In this case, the department determined the claimant had excess income to be eligible to receive CDC services. The claimant disputes this decision, indicating that she makes very little money and should be eligible to receive some help with CDC.

Department policy indicates that claimant's must meet certain eligibility criteria to be eligible for CDC services. One of the eligibility criteria is the family be income eligible. PEM 703. The department averaged the claimant's income, which resulted in a gross income of \$1773. Department policy lists the lowest income limit (for the lowest payment percentage by the department) as \$1607. PRT 270. The claimant's income exceeds this income limit. Therefore, the claimant is not eligible to receive CDC services.

#### DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department properly denied the claimant's CDC application due to excess income in May, 2009.

Accordingly, the department's decision is UPHELD. SO ORDERED.

/s/

\_\_\_\_\_  
Suzanne L. Keegstra  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: June 15, 2010

Date Mailed: June 16, 2010

**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.

SLK 

cc:

