

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: 2009-29035
Issue No: 1021
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
August 12, 2009
Wayne 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 has conducted from Detroit, Michigan on August 12, 2009. The Claimant appeared and testified along with her mother, [REDACTED]. Olivette Gordon, FIM, Sandra Haliburton, FIS and Alison Nim, Michigan Works Agency Work First Rep, appeared for the Department.

ISSUE

Whether the Department properly closed the Claimant's FIP case on 6/30/09?

FINDINGS OF FACT

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

1. The Claimant was a FIP recipient.
2. Claimant properly reported stopped income to the Change Reporting Center on 6/10/09. FIP benefits then increased.
3. Claimant was referred to Work First.

4. On 5/12/09, Claimant was placed in noncompliance with work first. (Exhibit 1, p. 1) for not submitting pay stubs.
5. A triage appointment was scheduled for 6/23/09 and Claimant did not show. (Exhibit 1, p. 3).
6. Claimant testified that she did receive notice of the triage date, but did not attend because she was scheduled for work.
7. Claimant testified that she did not receive notification that she needed to submit stubs. No such notification was provided in the hearing packet either.
8. Claimant testified that she tried to submit the check stubs to her caseworker on May 27, 2009, but was refused. Claimant's witness supports Claimant's story.
9. The Department closed Claimant's FIP on June 30, 2009.
10. On July 1, 2009, the Department received the Claimant's hearing request protesting the closure of the FIP benefits.

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 (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).

A group's earned income is considered in the award of benefits. Earned income means income received from another person or organization or from self-employment for duties that were performed for remuneration or profit. Unearned income means all income that is NOT

earned income. PAM 500 at p. 1. Both wages and unemployment compensation are countable income. PAM 518.

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.

In the record presented, there was significant animosity between the parties. The undersigned, however, determined that Claimant reported a change in income to the change reporting center. Claimant then testified credibly that she never received the notification that she was to submit pay stubs. Again, Claimant offered credible testimony through herself and her witness that, once Claimant was aware that she was supposed to submit the pay stubs, she tried to submit them. The Department is required to extend the time limit at least once to allow Claimant to comply with a request for verification. The record reveals that Claimant was not refusing to provide the information.

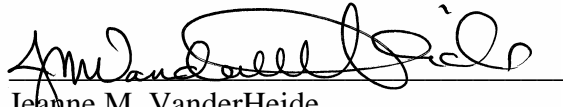
Accordingly, based upon the foregoing facts and relevant law, it is found that there is no indication that the Claimant failed to comply with reporting earned income. Ultimately, it is found that the Department improperly closed the Claimant's FIP benefits.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department improperly closed the Claimant's FIP case.

Accordingly, it is ORDERED:

1. The Department's 6/30/09 FIP closure is REVERSED.
2. The Department shall reopen the Claimant's FIP case back to the date of closure, delete any negative action and supplement the Claimant for any lost benefits she was otherwise entitled to receive.


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

Date Signed: 09/09/09

Date Mailed: 09/10/09

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

cc:

