STATE OF MICHIGAN STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES ADMINISTRATIVE HEARINGS FOR THE DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:



Reg. No.: Issue No.: Case No.: Load No.: Hearing Date:



ADMINISTRATIVE LAW JUDGE: Aaron McClintic

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 held on September 27, 2010. The Claimant appeared and testified.

<u>ISSUE</u>

Did the Claimant receive an overissuance of Child Day Care assistance that is subject to recoupment?

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 was an ongoing recipient of CDC benefits.
- 2. Claimant stopped working in August 2009 and began receiving Unemployment benefits.
- 3. Claimant's CDC case closed because of lack of need.
- 4. Claimant received CDC overissuance of \$1049.75 between September 13, 2009 and October 24, 2009.
- 5. Claimant requested a hearing on November 12, 2009. <u>CONCLUSIONS OF LAW</u>

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 (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 contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

There are four CDC need reasons. Each parent/substitute parent of the child needing care must have a valid need reason during the time child care is requested. Each need reason must be verified and exists only when each parent/substitute parent is unavailable to provide the care because of: 1. Family preservation. 2. High school completion. 3. An approved activity. 4. Employment. BEM 703.

When a client group receives more benefits than they are entitled to receive, DHS must attempt to recoup the over issuance (OI) if the overissuance is greater than \$125. BPB 2010-005. The amount of the OI is the amount of benefits the group or provider actually received minus the amount the group was eligible to receive. BAM 720, p. 6.

In September and October 2009, Claimant received \$1049.75 in CDC benefit when she was entitled to \$0. Claimant stopped working and began receiving unemployment benefits. Pursuant to Department policy Claimant had no qualifying need for child care. BEM 703. Claimant received overissuances of \$1049.75 due to agency error. Claimant questioned the fairness of recouping benefits for agency error. Department policy is very clear that overissuances over \$125 are recouped even when it is result of agency error. BAM 720.

Issues were raised at hearing with regard to need for Child Day Care. Claimant argued that she had need for Child Day Care during the period of time in question. Claimant testified that she was participating with Michigan Works as a requirement of her unemployment compensation and also had numerous job interviews. Pursuant to Department policy these activities do not qualify as need for Child Day Care assistance. BEM 703.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that Claimant received overissuances in CDC program benefits of \$1049.75 due to agency error, and it is ORDERED that the Department's decision in

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this regard be and is hereby AFFIRMED.

Am mileti /s/ Aaron McClintic

Administrative Law Judge For Ismael Ahmed, Director Department of Human Services

Date Signed: September 30, 2010

Date Mailed: September 30, 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.

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