

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: 2010-21440  
Issue No: 6019  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
August 17, 2010  
Jackson County DHS

ADMINISTRATIVE LAW JUDGE: Kevin Scully

HEARING DECISION

This matter is before the undersigned Administrative Law Judge by authority of MCL 400.9 and MCL 400.37. Claimant's request for a hearing was received on December 8, 2009. After due notice, a telephone hearing was held on Tuesday, August 17, 2010.

ISSUE

Whether the Department of Human Services (Department) properly determined the Claimant's Child Development and Care (CDC) eligibility?

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 August 1, 2009.
- (2) From July 19, 2009, through August 29, 2009, the Claimant received monthly earned income in the gross monthly amount of [REDACTED]. After August 30, 2009, the Claimant's earned income increased to the gross monthly amount of [REDACTED]. Department Exhibit 5.

(3) The Claimant receives monthly child support income in the gross monthly amount of [REDACTED]. Department Exhibit 5.

(4) On November 9, 2009, the Department approved the Claimant for CDC benefits from July 19, 2009, through August 29, 2009. Department Exhibit 3.

(5) On November 9, 2009, the Department terminated the Claimant's CDC benefits effective August 30, 2009 due to excess income. Department Exhibit 2.

(6) The Department received the Claimant's request for a hearing on December 8, 2009, protesting the denial of CDC benefits.

#### 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 found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), Reference Table Manual (RFT), and the Bridges Reference Manual (BRM).

All earned and unearned income available to the Claimant is countable. Earned income means income received from another person or organization or from self-employment for duties for duties that were performed for compensation or profit. Unearned income means all income that is not earned, including but not limited to funds received from the Family Independence Program (FIP), State Disability Assistance (SDA), Child Development and Care (CDC), Medicaid (MA), Social Security Benefits (RSDI/SSI), Veterans Administration (VA),

Unemployment Compensation Benefits (UCB), Adult Medical Program (AMA), alimony, and child support payments. The amount counted may be before than the client actually receives because the gross amount is used prior to any deductions. BEM 500.

The Department determines a client's eligibility for program benefits based on the client's actual income and/or prospective income. Actual income is income that was already received. Prospective income is income not yet received but expected. Prospective budgeting is the best estimate of the client's future income. BEM 505.

The Claimant applied for CDC benefits on August 1, 2009, as a group of four. The Claimant received monthly earned income in the gross monthly amount of [REDACTED]. The Claimant also received monthly child support income in the gross monthly amount of [REDACTED]. The Claimant's total countable income was [REDACTED]. The income eligibility limit for a group of four is [REDACTED], and the Claimant qualified for CDC benefits with a rate of 80%. RFT 270.

After August 31, 2009, the Claimant's earned income increased to a gross monthly amount of [REDACTED]. The Claimant received child support income a gross monthly amount of [REDACTED]. The Claimant's total countable income therefore rose to [REDACTED]. The income eligibility limit for a group of four is [REDACTED] and the Claimant was not eligible for CDC benefits.

The Claimant did not dispute the income figures the Department used to determine her eligibility for CDC benefits, but argued that she was not notified that she was eligible for CDC benefits before August 31, 2009. The Claimant testified that before she was able to enroll her grandson in childcare her benefits were terminated.

The Department did not offer any evidence that it notified the Claimant of its eligibility determinations before November 9, 2009. Although the Department may not have approved the

Claimant's application in a timely manner, because the Claimant had not enrolled her grandson in childcare before August 31, 2009, she was not denied benefits that she was eligible to receive.

Based on the evidence and testimony presented at the hearing, the Department established that it properly terminated the Claimant's eligibility for CDC benefits effective August 31, 2009, due to excess income.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department acted in accordance with policy in determining the Claimant's CDC eligibility.

The Department's FAP eligibility determination is AFFIRMED. It is SO ORDERED.

/s/  
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Kevin Scully  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: August 27, 2010  
Date Mailed: August 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 60 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the receipt 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.

KS/vc  
cc:

