

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.: 2010-28517  
Issue No.: 1038/2003  
Case No.: [REDACTED]  
Load No.: [REDACTED]  
Hearing Date:  
June 14, 2010  
Wayne County DHS (35)

ADMINISTRATIVE LAW JUDGE: Colleen M. Mamelka

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 in Detroit, Michigan on Monday, June 14, 2010. The Claimant appeared and testified. The Claimant was represented by [REDACTED] of [REDACTED], [REDACTED], [REDACTED] and [REDACTED] appeared on behalf of the Department.

ISSUE

1. Whether the Department properly terminated the Claimant's cash assistance ("FIP") benefits due to non-compliance with the Jobs, Education, and Training ("JET") program?
2. Whether the Department properly terminated the Claimant's Medical Assistance ("MA") benefits?

FINDINGS OF FACT

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

1. The Claimant was a FIP and MA recipient.

2. In October 2009, the Claimant was non-compliant with the JET program thus was required to bring in documentation to establish good cause.
3. On November 19, 2009, the Claimant was mailed a Non-Compliance Letter. (Exhibit 6)
4. On November 30<sup>th</sup>, December 23<sup>rd</sup>, January 22<sup>nd</sup>, and February 4<sup>th</sup>, the Claimant's case was referred to triage for failing to participate with the JET program and/or submit medical excuse to support a deferral from participation. (Exhibit 6)
5. On February 23, 2010, a triage was held resulting in a no good cause determination and the imposition of the 3 month sanction. (Exhibit 6)
6. On March 10, 2010, the Claimant's FIP benefits were terminated. (Exhibit 2 – 5)
7. On March 28, 2010, the Department received the Claimant's written request for hearing protesting the termination of the FIP benefits.
8. On April 19, 2010, the Claimant's MA case was terminated due to not having a dependent child under 18 years of age in the home. (Exhibits 1, 2)
9. On or about April 23, 2010, the Department received the Claimant's written request for hearing protesting the termination of her MA benefits.

#### CONCLUSIONS OF LAW

In this case, the Claimant filed two hearing requests; one protesting the termination of the FIP benefits and the other protesting the termination of MA benefits. Each program will be separately addressed.

#### **FIP closure**

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 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. Departmental policies are found in the Bridges Administrative Manual (“BAM”), the Bridges Eligibility Manual (“BEM”), and the Bridges Reference Manual (“BRM”).

DHS requires clients to participate in employment and self-sufficiency related activities and to accept employment when offered. BEM 233A As a condition of eligibility, all Work Eligible Individuals (“WEI”) must engage in employment and/or self-sufficiency related activities. BEM 233A The WEI is considered non-compliant for failing or refusing to appear and participate with the Jobs, Education, and Training Program (“JET”) or other employment service provider. BEM 233A Good cause is a valid reason for noncompliance with employment and/or self-sufficiency related activities that are based on factors that are beyond the control of the noncompliant person. BEM 233A Failure to comply without good cause results in FIP closure. BEM 233A The first and second occurrences of non-compliance results in a 3 month FIP closure. BEM 233A

JET participants will not be terminated from a JET program without first scheduling a triage meeting with the client to jointly discuss noncompliance and good cause. BEM 233A In processing a FIP closure, the Department is required to send the client a notice of non-compliance, DHS-2444, which must include the date(s) of the non-compliance; the reason the client was determined to be non-compliant; and the penalty duration. BEM 233A In addition, a triage must be held within the negative action period. BEM 233A A good cause determination must be made prior to the negative action effective date. BEM 233A

In this case, the Claimant failed to participate in the JET program as required for several months. The Claimant maintained she was unable to participate due to her medical issues. The

Department requested medical evidence to support the Claimant's assertions that her medical conditions prevented her from JET participation. In response, the Claimant submitted two medical referrals. The Department requested documentation to support removing her from JET activity. No verification was provided resulting in the Claimant's case being referred to triage in November 2009. The triage was not held until February 23<sup>rd</sup>. The Claimant did not submit any medical evidence stating she was physically and/or mentally unable to participate with the JET program either prior to the triage, during the triage, or at the hearing. In light of the foregoing, it is found that the Department's no good cause determination is upheld thus the termination of FIP benefits and the imposition of the 3-month sanction are AFFIRMED.

**MA closure**

The Medical Assistance ("MA") program is established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations ("CFR"). The Department of Human Services, formally known as the Family Independence Agency, administers the MA program pursuant to MCL 400.10, *et seq* and MCL 400.105. Departmental policies are found in the BAM, BEM, and BRM.

The goal of the Medicaid program is to ensure that essential health care services are made available to those who otherwise could not afford them. BEM 105 Medicaid is also known as Medical Assistance ("MA"). BEM 105 The Medicaid program is comprised of several categories; one category is for FIP recipients while another is for SSI recipients. BEM 105 Programs for individuals not receiving FIP or SSI are based on eligibility factors in either the FIP or SSI program thus are categorized as either FIP-related or SSI-related. BEM 105 To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formally blind or disabled. BEM 105 Families with dependent children,

caretaker relatives of dependent children, persons under age 21 and pregnant, or recently pregnant women, receive MA under FIP-related categories. BEM 105 Low-Income Family (“LIF”) MA is a FIP-related Group 1 MA category. BEM 110 A dependent child means a person who lives with his parent(s) or other specified relative who act as the parent, and is under the age 18 or age 18 or 19 and a full-time high school student who is expected to graduate before the age of 20. BEM 110

In this case, the Claimant received MA under the LIF program. MA benefits were terminated when the Claimant’s son no longer a dependent as defined under this program. Ultimately, the Department established it acted in accordance with department policy when it terminated the Claimant’s MA coverage. Accordingly, the Department’s determination is AFFIRMED.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department properly terminated the Claimant’s FIP and MA benefits.

Accordingly, it is ORDERED:

1. The Department’s FIP closure is AFFIRMED.
2. A 3-month FIP sanction is imposed from the date of closure based upon the JET non-compliance in accordance with department policy.
3. The Department’s termination of the Claimant’s MA benefits under the LIF program is AFFIRMED.

*Colleen M. Mamelka*

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Colleen M. Mamelka  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: 6/16/2010

Date Mailed: 6/16/2010

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 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.

CMM/jlg

cc:

