

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: 2010-33633  
Issue No: 6019  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
August 24, 2010  
Kent 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 hearing was held on August 24, 2010. The claimant personally appeared and provided testimony.

ISSUE

Did the department properly close the claimant's Child Development and Care (CDC) benefits due to excess income in January, 2010?

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's CDC case came due for a redetermination in January, 2010. The claimant returned the Redetermination form (DHS-3050), but failed to return paycheck stubs, and a school schedule. (Department Exhibit 74 – 77)
2. On January 21, 2010, the claimant faxed a paycheck stub and her school schedule to the department. (Department Exhibit 39 – 40; 59 – 63)

3. The department mailed the claimant's employer a Verification of Employment (DHS-38) on February 2, 2010. The employer returned the form and paycheck information on February 12, 2010. (Department Exhibit 1 – 17)

4. When the claimant's income was budgeted, it caused her to be excess income to receive CDC benefits. (Department Exhibit 44 – 46)

5. The claimant submitted a hearing request on February 2, 2010.

### 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 Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) 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 BEM 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 BEM 255); and
- . have child(ren) needing care who meet the U.S. citizenship/alien status requirements as described in BEM 225.

Test the program group's countable income against the Child Development and Care Income Eligibility Scale found in RFT 270, page 1. Department Pay Percent (BEM 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. BEM, Item 703, pp. 14-15.

### **Standard Monthly Amount**

#### Stable and Fluctuating Income

A standard monthly amount must be determined for each income source used in the budget.

Convert stable and fluctuating income that is received more often than monthly to a standard monthly amount. Use one of the following methods:

- . Multiply weekly income by 4.3.
- . Multiply amounts received every two weeks by 2.15.
- . Add amounts received twice a month.

This conversion takes into account fluctuations due to the number of scheduled pays in a month.

**Exception:** Do not convert income for the month income starts or stops if a full month's income is not expected in that month. Use actual income received or income expected to be received in these months. BEM, Item 505, p. 7.

The claimant is disputing the department's actions to close her CDC case because she was excess income. Department policy indicates that eligibility for CDC benefits ends when the family has excess income. BEM 703.

Both the claimant and the claimant's employer provided paycheck stubs to the department. The department used the paycheck stubs dated December 23, 2009 and January 6, 2010. These paychecks grossed \$764.43 and \$857.19. Department policy requires the department to add these two amounts together, divide by two and multiply by 2.15 to account for months with more than one pay period. BEM 505. The amounts added together result in \$1621.62. When divided by two and multiplied by 2.15, the result is a gross income of \$1743. Department policy indicates that no CDC assistance will be approved if the family (group size of two) has gross monthly income over \$1607. RFT 270. In this case, the claimant's gross monthly income was \$1743, which exceeds the allowable gross monthly income to receive CDC services.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the department properly closed the claimant's Child Development and Care (CDC) benefits due to excess income in January, 2010.

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: August 26, 2010

Date Mailed: August 26, 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 [REDACTED]

cc: [REDACTED]