

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2010-36853  
Issue No.: 6019  
Case No.: [REDACTED]  
Load No.: [REDACTED]  
Hearing Date: November 4, 2010  
Macomb County DHS (20)

**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 the Claimant's request for a hearing. After due notice, a hearing was held in Warren, Michigan on Thursday, November 4, 2010. The Claimant appeared and testified. The Claimant was represented by [REDACTED] of [REDACTED]. [REDACTED] appeared on behalf of the Department.

**ISSUE**

Whether the Department properly denied the Claimant's application for child care ("CDC") due to excess income?

**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 submitted an application for public assistance seeking CDC benefits on September 1, 2009.
2. The Claimant's group size was 5.
3. Based on the employment verification, the Claimant worked 20 hours a week and earned \$7.50/hour and was paid bi-weekly.
4. The Claimant received unemployment compensation for the month of September.
5. The Department budgeted the spouse's income as \$1,958.04 based on two bi-weekly payroll check stubs.

6. The income eligibility limit for a family of 5 was \$2,746.00.
7. On January 7, 2010, the Department denied the Claimant's CDC application based on excess income. (Exhibit 1)
8. On January 14, 2010, the Department received the Claimant's timely written request for hearing. (Exhibit 2)

### **CONCLUSIONS OF LAW**

The Child Development and Care program is established by Chapter 7 of the Social Security Act, 42 USC 1397, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 USC 601, *et seq.* 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. Departmental policies are found in the Bridges Administrative Manual ("BAM"), the Bridges Eligibility Manual ("BEM"), and the Bridges Reference Manual ("BRM").

The goal of CDC program is to preserve the family unit and to promote its economic independence and self-sufficiency by promoting safe, affordable, accessible, quality child care for qualified families. BEM 703 DHS may provide payment for child care services for qualifying families when the parent(s)/substitute parent(s) is unavailable to provide the child care because of employment, education, and/or because of a health/social condition for which treatment is being received and care is provided by an eligible provider. BEM 703 For income eligible CDC determination, the income of all program group members is considered. BEM 525 The gross (before deductions) income is used to determine the percentage of care that the Department will pay towards the group's child care costs. *Id.* The Department must consider the gross benefit amount before any deduction, unless Department policy states otherwise. BEM 500 A group's monthly benefits are based in part, on a prospective income determination. BEM 505 A standard monthly amount must be determined for each income source used in the budget. *Id.* Weekly benefit amounts are converted to a monthly amount by multiplying the weekly amount by 4.3. *Id.* Bi-weekly amounts are converted by multiplying the amount by 2.15. *Id.* The Department will not contribute to child care when the gross monthly income for a group size of 5 is over \$2,746.00. RFT 270

In this case, the Claimant worked 20 hours a week earning \$7.50/hour. The Claimant also received unemployment compensation benefits. The Claimant submitted two paycheck stubs for her husband who showed earnings of \$10.50/hour and 85.47 hours

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for one pay period and 83.51 hours for the other pay period. Both the Claimant and her spouse are paid bi-weekly. As a result, the Department prospectively budgeted the Claimant's gross earnings as \$3,464.00 for the month of September 2009. This amount is over the gross month income limit thus the application was properly denied. Ultimately, the Department established that it acted in accordance with department policy when it denied the Claimant's CDC application due to excess income. 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 the Department established it acted in accordance with department policy when it denied the Claimant's CDC application due to excess income.

Accordingly, it is ORDERED:

The Department's determination 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: 11/09/2010

Date Mailed: 11/09/2010

**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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cc:

