

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: 2010-35485

Issue No: 1038, 6019

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

July 15, 2010

Kent County DHS

ADMINISTRATIVE LAW JUDGE: Gary F. Heisler

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 telephone hearing was held on July 15, 2010. Claimant appeared and testified.

ISSUES

Did the Department of Human Services properly sanction Claimant's Family Independence Program (FIP) case for failure to participate in employment and/or self-sufficiency related activities?

Did the Department of Human Services properly stop Child Development and Care (CDC) benefits once Claimant was no longer participating in the Michigan Works Agency/Jobs Education and Training Program (JET)?

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 Family Independence Program (FIP) benefits. Claimant was a mandatory participant in the Michigan Works Agency/Jobs Education and Training Program (JET). Claimant was eligible for Child Development and Care (CDC) benefits to allow her to participate in the JET program.

(2) On March 2, 2010, Claimant attended a triage meeting. The Department determined there was no good cause for Claimant's failure to participate in employment and/or self-sufficiency related activities. Claimant signed a First Non-Compliance Letter (DHS-754) agreeing that: she was non-compliant without good cause; she would complete a compliance test to avoid sanction of her Family Independence Program (FIP) case; and she would use the letter to verify she did the activities by 3/11 or the penalty would start. The compliance test was designated in writing as 40 hours per week of job search activity before March 11, 2010. Claimant also signed an agreement with Michigan Works Agency/Jobs Education and Training Program (JET) to "participate in job search activities and/or workshops until completion of your 754 (1st Noncompliance Letter) time period without any absences and meeting required program hours."

(3) On March 4, 2010, Claimant left a class at the MWA/JET and did not return.

(4) On March 5, 2010, Claimant was absent from the MWA/JET all day.

(5) On March 10, 2010, Claimant was absent from the MWA/JET all day.

(6) On March 11, 2010, Claimant was absent from the MWA/JET all day.

(7) On April 8, 2010, Claimant was sent a Notice of Case Action (DHS-1605) stating that her Family Independence Program (FIP) case would be sanctioned.

(8) On April 12, 2010, Claimant submitted a request for hearing.

CONCLUSIONS OF LAW

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 (formerly known as the Family Independence Agency) 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. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

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 provides the following guidance for case workers. The Department's policies are available on the internet through the Department's website.

**FAILURE TO MEET EMPLOYMENT AND/OR  
SELSUFFICIENCY-RELATED REQUIREMENTS: FIP**

**DEPARTMENT PHILOSOPHY**

**FIP**

DHS requires clients to participate in employment and self-sufficiency related activities and to accept employment when offered. Our focus is to assist clients in removing barriers so they can participate in activities which lead to self-sufficiency. However, there are consequences for a client who refuses to participate, without good cause.

The goal of the FIP penalty policy is to obtain client compliance with appropriate work and/or self-sufficiency related assignments and to ensure that barriers to such compliance have been identified and removed. The goal is to bring the client into compliance.

Noncompliance may be an indicator of possible disabilities. Consider further exploration of any barriers.

## **DEPARTMENT POLICY**

### **FIP**

All Work Eligible Individual (WEI) and adult non-WEIs (except ineligible grantees, clients deferred for lack of child care (DC) and disqualified aliens), see [BEM 228](#), who fail, without good cause, to participate in employment or self-sufficiency-related activities, must be penalized.

Depending on the case situation, penalties include the following:

- Delay in eligibility at application.
- Ineligibility (denial or termination of FIP with no minimum penalty period).
- Case closure for a minimum of three or 12 months.

See [BEM 233B](#) for the Food Assistance Program (FAP) policy when the FIP penalty is closure. For the Refugee Assistance Program (RAP) penalty policy, see [BEM 233C](#).

## **NONCOMPLIANCE**

### **WITH EMPLOYMENT AND /OR SELF-SUFFICIENCY RELATED ACTIVITIES**

As a condition of eligibility, all WEIs and non-WEIs must work or engage in employment and/or self-sufficiency-related activities.

**Noncompliance** of applicants, recipients, or member adds means doing **any** of the following **without** good cause:

**Exception:** Do not apply the three or 12 month penalty to ineligible caretakers, clients deferred for lack of child care (DC) and disqualified aliens. Failure to complete a FAST or FSSP results in closure due to failure to provide requested verification.

Clients can reapply at any time.

- Failing or refusing to:
  - Appear and participate with the Jobs, Education and Training (JET) Program or other employment service provider.
  - Complete a Family Automated Screening Tool (FAST), as assigned as the first step in the FSSP process.

**Note:** FIS should clear the FAST Fall Out Report and any FAST confirmation information the client has obtained before considering a client noncompliant for FAST non-completion.

- Develop a Family Self-Sufficiency Plan (FSSP) or a Personal Responsibility Plan and Family Contract (PRPFC).

**Note:** FIS must have scheduled a FSSP completion appointment with the client and the client failed to attend before considering a client noncompliant for FSSP non-completion.

- Comply with activities assigned to on the Family Self Sufficiency Plan (FSSP) or PRPFC.
- Provide legitimate documentation of work participation.
- Appear for a scheduled appointment or meeting.
- Participate in employment and/or self-sufficiency-related activities.
- Accept a job referral.
- Complete a job application.

- Appear for a job in interview (see the exception below).
- Stating orally or in writing a definite intent not to comply with program requirements.
- Threatening, physically abusing or otherwise behaving disruptively toward anyone conducting or participating in an employment and/or self-sufficiency-related activity.
- Refusing employment support services if the refusal prevents participation in an employment and/or self-sufficiency-related activity.

### **GOOD CAUSE FOR NONCOMPLIANCE**

**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. A claim of good cause must be verified and documented for member adds and recipients.

### **NONCOMPLIANCE PENALTIES FOR ACTIVE FIP CASES AND MEMBER ADDS**

The penalty for noncompliance without good cause is FIP closure.

Effective April 1, 2007, the following minimum penalties apply:

- For the first occurrence on the FIP case, close the FIP for 3 calendar months unless the client is excused from the noncompliance as noted in “ [First Case Noncompliance Without Loss of Benefits](#)” below.
- For the second occurrence on the FIP case, close the FIP for 3 calendar months.
- For the third and subsequent occurrence on the FIP case, close the FIP for 12 calendar months.

The penalty counter also begins April 1, 2007 regardless of the previous number of noncompliance penalties.

Begin the sanction period with the first pay period of a month. Penalties are automatically calculated by the entry of

noncompliance without good cause on the FSSP. This applies to active FIP cases, including those with a member add who is a WEI JET participant.

## **TRIAGE**

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. Locally coordinate a process to notify the MW. A case manager of triage meetings including scheduling guidelines.

Clients can either attend a meeting or participate in a conference call if attendance at the triage meeting is not possible. If a client calls to reschedule an already scheduled triage meeting, offer a phone conference at that time. Clients must comply with triage requirements within the negative action period.

When a phone triage is conducted for a first noncompliance and the client agrees to comply, complete the DHS-754, First Noncompliance Letter, as you would complete in a triage meeting. Note in the client signature box “Client Agreed by Phone”. Immediately send a copy of the DHS-754 to the client and phone the JET case manager if the compliance activity is to attend JET.

Determine good cause based on the best information available during the triage and prior to the negative action date. Good cause may be verified by information already on file with DHS or MWA.

## **PROCESSING THE FIP CLOSURE**

Follow the procedures outlined below for processing the FIP closure:

- Send a DHS-2444, Notice of Employment and/or Self-Sufficiency-Related Noncompliance, within three days after learning of the noncompliance. You must include the following information on the DHS-2444:
  - The date(s) of the noncompliance.
  - The reason the client was determined to be noncompliant.
  - The penalty that will be imposed.

- Schedule a triage to be held within the negative action period.
- Determine good cause during triage and prior to the negative action effective date. Good cause must be verified and can be based on information already on file with the DHS or the JET program. Document the good cause determination on the sanction detail screen.

### **First Case Noncompliance Without Loss of Benefits**

If the noncompliant client meets or if a phone triage is held with a FIS and/or the JET case manager and the decision regarding the noncompliance is *No Good Cause*, do the following:

1. Discuss and provide a DHS -754, First Noncompliance Letter, regarding sanctions that will be imposed if the client continues to be noncompliant.
2. Offer the client the opportunity to comply with the FSSP by the due date on the DHS-754 and within the negative action period.
3. Advise the client that the instance of noncompliance will remain on record even if the client complies. The noncompliance will be excused, but not erased and could result in longer sanctions if the client is noncompliant in the future.
4. If the client **accepts** the offer to comply and agrees with the department's decision of noncompliance without good cause, use the first check box on the DHS-754 and document compliance activities. Include the number of hours of participation the client must perform to meet the compliance activity requirement. Advise the client that verification of the compliance is required by the due date on the DHS-754.
5. When a phone triage is conducted for a first noncompliance and the client agrees to comply, complete the DHS-754 as you would complete for an in-person triage meeting. When completing the form note in the client signature box *Client Agreed by Phone*. Immediately send a copy of the DHS-754 to the client and phone the JET case manager if the compliance activity is to attend JET and the JET case manager was not included in the phone triage.

6. Enter the outcome of the *Excuse Offer* in Bridges.
7. When the client verifies compliance before the *Excuse Offer* due date and is meeting the assigned activity that corrects the noncompliance, reinstate the case with no loss of benefits.

**Note:** Verification of completion of a compliance activity may include a signed copy of the DHS-754 or any collateral contact with JET or other service provider.

8. If the client **does not accept** the offer to comply, document the decision in Bridges
9. If the client **disagrees** with the department's decision of noncompliance without good cause, use the second check box on the DHS-754 that advises the client not to sign the form. Assist the client with filing a hearing request and advise them that if they lose the hearing, they will receive a new notice of noncompliance and a new meeting date and they have the right to agree to activities outlined on the DHS-754 and avoid the financial penalty at that time, unless another group member uses the family's first excuse before the hearing issue is settled.
10. Send a new DHS-2444 with an appointment date and time. The client must attend the triage and comply with assigned activities before the 754 due date.
11. You must enter all triage results at one time in Bridges.

If the client fails to meet or contact the FIS or fails to provide verification of compliance without good cause, the three-month sanction applies.

This policy only applies for the first case of noncompliance on or after April 1, 2007. It is only offered one time for each case for the first noncompliant member on that case when there is no good cause. (BEM 233A)

In this case Claimant does not dispute that she failed to meet the requirements of the compliance test. Claimant asserts she was ill and could not attend some of the days during the compliance test. Claimant did not bring any medical verification to the hearing which showed

she was ill and unable to meet the compliance test. Claimant has not established that there was good cause for her failure of the compliance test. In accordance with the policy cited above, the sanction applies.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the Department of Human Services properly sanctioned Claimant's Family Independence Program (FIP) case for failure to participate in employment and/or self-sufficiency related activities.

Claimant's need for Child Development and Care (CDC) benefits was based on her participation in the Michigan Works Agency/Jobs Education and Training Program (JET). To be eligible for Child Development and Care (CDC) benefits during the sanction period, Claimant will need to establish another need reason.

It is ORDERED that the actions of the Department of Human Services, in this matter, are UPHELD.

/s/

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Gary F. Heisler  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: July 23, 2010

Date Mailed: July 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 60 days of the filing of the original request.

2010-35485/GFH

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.

GFH/alc

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