

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: 2010-46596  
Issue No: 1005  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
September 15, 2010  
St Clair 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 hearing was held on September 15, 2010. Claimant appeared and testified.

ISSUE

Did the Department of Human Services properly deny Claimant's application for Family Independence Program (FIP) benefits?

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.
- (2) On February 1, 2010, Claimant's Family Independence Program (FIP) case was closed due to excess income. Claimant had been receiving Unemployment Compensation Benefits (UCB).
- (3) On February 8, 2010, Claimant's Unemployment Compensation Benefits (UCB) had ended and she submitted an application for Family Independence Program (FIP) benefits.
- (4) On March 18, 2010, Claimant's February 8, 2010, FIP application was denied. Claimant was sent a Notice of Case Action (DHS- 1605) which stated the application was denied due to excess income.

- (5) On March 26, 2010, Claimant submitted a request for hearing about the denial for excess income. Investigation by the local office revealed that the application had been incorrectly denied because UCB had been incorrectly included in the financial eligibility budget. The local office continued to process the February 8, 2010, FIP application. Due to a BRIDGES computer program error the application was not officially re-instated.
- (6) On May 10, 2010, Claimant was sent a Verification Checklist (DHS Form 3503) requesting asset verification of a life insurance policy. The verification was due back May 20, 2010.
- (7) On May 28, 2010, the Department had not received the required verification. A Hearing Summary was prepared and the March 26, 2010, request for hearing was sent to State Office of Administrative Hearings and Rules.

### 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 (DHS or department) 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).

In this case Claimant's initial request for hearing on application denial for excess income has already been resolved. The Department recognized the erroneous denial and continued to process the application. Subsequent events, specifically Claimant's failure to provide required verification, caused the February 8, 2010, application to remain denied. It is undisputed that verification of Claimant's life insurance was not provided to the Department. Eligibility for FIP benefits includes an asset limit determination. Department policy holds that FIP benefits cannot be approved without full eligibility determination. Failure to provide required asset verifications properly results in denial of FIP benefits.

### 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 denied Claimant's application for Family Independence Program (FIP) benefits.

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: September 23, 2010

Date Mailed: September 27, 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.

**GFH/alc**

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