

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: 2010-48455  
Issue No: 6019  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
September 16, 2010  
Kent County DHS

ADMINISTRATIVE LAW JUDGE: Suzanne L. Morris

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 September 16, 2010. The claimant personally appeared and provided testimony.

ISSUE

Did the department properly determine the claimant had excess income to receive Child Development and Care (CDC) 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. The claimant submitted a completed Redetermination form (DHS-1010) on February 23, 2010. (Department Exhibit 15 – 18)
2. The claimant only submitted one paycheck stub from her employment, so the department printed off her pay history through the Work Number. (Department Exhibit 9 – 14)

3. The claimant also receives child support. The department averaged the last 90 days of child support to include in the claimant's CDC budget. (Department Exhibit 7 – 8)

4. These sources of income resulted in a total monthly countable income of \$2198.15. The income limit to receive CDC services is \$1607. Therefore, the department closed the claimant's CDC benefits due to excess income. (Department Exhibit 6)

### 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.

Since the claimant is not categorically eligible for CDC services, she must meet the income eligibility criteria. To be income eligible, the program group's countable income must be less than the CDC income eligibility scale. BEM 705, RFT 270. RFT 270 indicates that for a program group size of one or two, the income limit for DHS assistance with CDC expenses is \$1607.

In this case, the claimant's net countable income is \$2198.15, which includes a 90 day average of her child support and a 30 day average of her gross employment income. The claimant testified that she did not believe it was fair to use her gross income, as this is not the income she takes home. However, it was explained to the claimant that department policy does require the gross income to be used. BEM 500.

The claimant was advised that if her income decreased, she may meet the income limit requirements in department policy and is free to reapply for CDC benefits.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department properly determined the claimant had excess income to receive Child Development and Care (CDC) benefits.

Accordingly, the department's decision is UPHELD. SO ORDERED.

/s/  
Suzanne L. Morris  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: October 6, 2010

Date Mailed: October 6, 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.

SLM 

cc: 