

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. 20111424  
Issue No. 6019  
Case No. [REDACTED]  
Load No. [REDACTED]  
Hearing Date: November 10, 2010  
Kent County DHS

**ADMINISTRATIVE LAW JUDGE:** Carmen G. Fahie

**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 telephone hearing was held on Wednesday, November 10, 2010. The claimant personally appeared and testified on her own behalf with her authorized representative, [REDACTED], and daycare provider [REDACTED].

**ISSUE**

Did the department properly determine that the claimant was not eligible for the Child Development and Care Program (CDC) services based upon the fact that the claimant's case had closed?

**FINDINGS OF FACT**

The Administrative Law Judge, based upon the competent, material, and substantial evidence on the whole record, finds a material fact:

1. The claimant was a recipient of CDC benefits.
2. On October 26, 2009, the department caseworker sent the claimant a notice that her CDC was closed as a result of the group not being eligible because the parent/substitute parent does not have a need for child daycare services due to employment, education, or family preservation reasons effective November 8, 2009. (Department Exhibit 1-2)

3. On February 16, 2010, the claimant verbally requested a daycare application and the department caseworker sent the application and forms to the claimant. (Department Exhibit 9-11)
4. On February 24, 2010, the department caseworker received the childcare provider verification and the relative care provider application, but not the claimant's daycare provider's Social Security number and picture ID. (Department Exhibit 12-15)
5. On March 6, 2010, provider enrollment ended for the claimant's daycare provider explaining why a provider is automatically terminated and a notice is sent to the provider. (Department Exhibit 3-8)
6. On June 17, 2010, the department caseworker sent the claimant a notice that her CDC payments would start effective May 15, 2010. (Department Exhibit 23)
7. On July 7, 2010, the department caseworker obtained the verifications from the provider's DHS file of a copy of the claimant's daycare provider's Social Security card and driver's license and submitted the claimant's enrollment packet to activate the claimant's daycare provider. (Department Exhibit 16-19) The claimant's daycare provider was subsequently enrolled, but the claimant's daycare provider did not complete the CDC basic training requirement that would make her eligible for payment because verification to enroll the provider was not made timely of the ID and Social Security care and because the provider did not complete the required training effective July 1, 2010. (Department Exhibit 20-22)
8. On August 16, 2010, the department received a hearing request from the claimant, contesting the department not paying her daycare provider before May 15, 2010 when she attended the orientation.
9. During the hearing, the claimant stated that in January 2010 that she went back to school, but did not receive the October 26, 2009 notice stating that her CDC case was closed.
10. During the hearing, the department caseworker stated that the claimant's October 26, 2009 denial notice was not returned.
11. During the hearing, the claimant stated that she called, but did not know the date and that she was having a problem with her mail where she does not get all of her mail because of the post office and that she had informed her past caseworker.

## **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 Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

The department's program eligibility manuals provide the following relevant policy statements and instructions for caseworkers:

The DHS-4575 must be completed:

- . at application, required within 30 calendar days of CDC case opening; and
- . at redetermination; and
- . when there is a change in the parent/substitute parent's treatment schedule, activities or service plan. BEM, Item 703, p. 7.

### **ELIGIBILITY GROUPS**

There are five eligibility groups. Four are under Categorically Eligible and one is under Income Eligible.

To be eligible for Child Development and Care payments, the client must:

- . apply for CDC, and
- . meet the eligibility requirements of an eligibility group, and
- . have a valid need reason, and
- . use an eligible provider.

Each Parent/Substitute Parent (P/SP) of the child needing care must have a valid need reason for the time period that child care is requested.

All children needing care must be U.S. citizens or have an acceptable alien status (see BEM 225).

To be eligible under the income eligible group, the family must cooperate with all child support requirements.

In order for payment to be authorized, the family must use an eligible provider (See BEM 704, CDC Providers).

Determine eligibility in descending order of the groups on the eligibility chart for each need reason (i.e., family preservation, high school completion, an approved activity, employment). More than one eligibility group and need reason may exist in some cases. BEM 703, pp. 12-13.

## **CDC PROVIDERS**

### **PARENTAL CHOICE**

Child care (See PRG) may be provided in or out of the child(ren)'s home. Clients have the right to choose where the care will be provided as well as the type of child care provider they wish to use.

### **Individuals Who May Not Receive Payment For Care**

Clients are not eligible for CDC payments for care provided by any of the following persons:

- . A member of the CDC program group (See BEM 205)
- . The applicant/client
- . The applicant/client's spouse who lives in the home
- . The parent of the child(ren) or a legal guardian who is not a member of the CDC program group
- . A provider who also provides adult home help to any CDC program group member, the CDC applicant or the CDC applicant's spouse for the same period in which child care is provided. BEM, Item 704, p. 1.

## **ELIGIBLE PROVIDERS**

In order for DHS to pay, care must be provided by an eligible provider. Eligible providers are those regulated by the DHS Office of Children and Adult Licensing, or enrolled by DHS.

Those regulated by Office of Children and Adult Licensing are:

- . Day care centers
- . Family day care homes
- . Group day care homes

Certain facilities and day care homes which provide child care do not require licensure under P.A. 116. (See "Centers and Homes Exempt From Licensure.")

The Department also recognizes two other types of providers, not required to be regulated, but are enrolled by the DHS to provide Child Development and Care services. They are:

- . Day care aides
- . Relative care providers BEM, Item, 704, pp. 1-2.

**CDC Eligibility**  
**Effective Date**  
**CDC**

The first day that care may be authorized is the latest of the following:

- The CDC application receipt date.
- The date the child care need begins.
- The date the provider becomes eligible for subsidy payments.
- The date the unlicensed provider completes the basic training requirement.

**Exception:** (For foster care only) 21 days prior to the CDC application receipt date.

**Benefit Periods FIP and SDA Only**

The group's benefit period continues until it no longer meets the program's eligibility requirements

**Service Begin Date**  
**(Effective Date of Enrollment)**

If approved, the service begin date for an unlicensed eligible provider who is 18, would be the date of the client or

provider application, **whichever is received first**. If a provider's service begin date needs to be corrected, for example, he or she is providing care on a foster care case, fax the client application and the DHS-220 to CDC Policy at 517- 241-8679 to have the service begin date modified. Include a cover sheet with the specialist's name and phone number.

**Exception:** If the unlicensed provider has been denied as a result of a household member and the household member leaves the home, the service begin date cannot be before the date the new DHS-220 is received.

- If the provider is not eligible, Bridges will send the DHS-4807, Notice of Child Development and Care Provider Ineligibility, listing the appropriate closure reason. The local office will need to manually generate a DHS-4807-C, Client Notice of Child Development and Care Provider Ineligibility, from Bridges to send to the client. The appropriate closure reason should be entered on the DHS-4807-C. If all required verifications are not received by the 10th workday from the application receipt date:
  - Enroll provider using the current date as the service begin and end date.
  - Enter the closure reason **Failure to provide required verifications**.
  - Bridges will send the DHS-4807 to the provider.
  - Manually generate a DHS-4807-C to notify the client.
  - File the DHS-220 in the provider file.

If the client has questions about the denial of the provider applicant's enrollment, the client should be told to discuss the issue with the provider.

In the instant case, the claimant's case was closed on October 26, 2009 because she was on maternity leave and was not working, which made her ineligible effective November 8, 2009. The claimant was sent a notice that she said she did not receive, but the claimant's correct address is on BRIDGES and the notice was not returned. The claimant failed to provide verification from the post office that she was having problems receiving her mail, but knew that in the past she was having problems receiving her mail. The claimant should have worked out this issue with the local post office to get a

PO Box or have her mail held in the local office and checked on a regular time schedule. As a result, the claimant's CDC case closed November 8, 2009.

The claimant testified that she went back to school in January 2010. The claimant did not call her caseworker until February 16, 2010 to request CDC benefits. The claimant is aware that any changes are required to be reported to the department caseworker within 10 days. The department caseworker sent the claimant's notice timely on the day it was requested of February 16, 2010. The department caseworker did receive the forms back from the claimant on February 24, 2010, but was missing a daycare provider Social Security number and picture ID. Even though the claimant's daycare provider's Social Security number and driver's license was part of her previous CDC file, that was part of the information that the claimant was required to provide to the department caseworker by the due date, but did not provide. On April 7, 2010, the department caseworker obtained the required verification to the provided DHS file and submitted it for enrollment to activate the provider. The claimant's daycare provider did not complete the CDC basic training requirement until May 15, 2010, which made her not eligible for payment until after she completed the program. On June 17, 2010, the department caseworker sent the claimant a notice that effective May 15, 2010, the claimant's daycare provider was eligible for payment.

During the hearing, the claimant's daycare provider stated that she did not receive a notice and did not know that she was supposed to attend the class until she did on May 15, 2010. CDC licensing is not part of this hearing because this ALJ does not have that jurisdiction and the daycare provider may want to talk to her daycare licensing worker.

The new policy requiring daycare providers to take a childcare training class became effective March 1, 2010. The claimant's daycare case was not submitted until April 7, 2010, which after the March 1, 2010 deadline. As a result, the claimant's daycare provider was not eligible for payment until she took the class on May 15, 2010.

Therefore, the Administrative Law Judge finds that the department has established that it was acting in compliance with department policy when a determination was made that the claimant was not eligible for CDC benefits until May 15, 2010 when the claimant's daycare provider took the required childcare training class.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department correctly determined that the claimant was not eligible for CDC payments until her daycare provider took the required childcare training class on May 15, 2010.

Accordingly, the department's decision is **AFFIRMED**.

/s/

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Carmen G. Fahie  
Administrative Law Judge  
For Ismael Ahmed, Director  
Department of Human Services

Date Signed: January 3, 2011

Date Mailed: January 4, 2011

**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.

CGF / vc

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