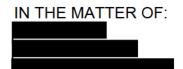
STATE OF MICHIGAN MICHIGAN ADMINISTRATIVE HEARING SYSTEM ADMINISTRATIVE HEARINGS FOR THE DEPARTMENT OF HUMAN SERVICES



Hearing Date: May 24, 2011 Kalamazoo County DHS

ADMINISTRATIVE LAW JUDGE: Jay W. Sexton

# 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, an in-person hearing was held on May 24, 2011. This case was combined with Register No. 2011-23745 for hearing purposes. Claimant personally appeared and testified under oath.

The department was represented by Angie Weber (AP Supervisor), Felisha Gilies (ES), and Kevin Adams (ES).

## **ISSUES**

- (1) Did DHS correctly budget claimant's earned income for CDC eligibility purposes, even though she is serving a FAP IPV disqualification sanction?
- (2) Did DHS correctly budget claimant's spouse's earned income for CDC eligibility purposes, even though a large portion of his earned income is garnished due to a non-payment of child support sanction?

## FINDINGS OF FACT

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

(1) On March 11, 2011, claimant applied for CDC benefits for her two minor children.

- (2) On the date of application, claimant was employed by the Claimant's spouse was employed by the
- (3) Claimant was approved for CDC benefits for the period February 27 through March 26, 2011.
- (4) On March 27, 2011, the department reviewed claimant's CDC eligibility.
- (5) The pay stubs submitted by claimant shows the following earned income amounts:

Claimant's		Income	\$1,162
Spouse's	Income		\$2,284
Total Household Income (CDC)		\$3,446	

- (6) The CDC gross income limit for a group of two minor children in March 2011 was \$1,607.
- (7) On April 6, 2011, Bridges (computer) sent claimant a DHS-1605, Notice of Case Action, stating that claimant's CDC case would close April 6, 2011 due to excess income.
- (8) DHS did not allow claimant a CDC income deduction for claimant's IPV sanction. Likewise, DHS did not allow claimant a CDC child support deduction for her spouse's support garnishment (testimony of AP Supervisor). In March 2011, the CDC program did not allow deductions of this type for purposes of computing income eligibility for CDC benefits (testimony of AP Supervisor).
- (9) On April 12, 2011, the claimant requested a hearing.

#### 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).

Current CDC regulations require that the department determine CDC income eligibility based on the gross income of the applicant. See BEM 205, 210, 211, 212, 500, 505, 525, 550, 554 and 556.

The AP Supervisor testified that there is no specific provision in DHS Policy to substantiate the disputed CDC budget. The AP Supervisor stated that the policy for the treatment of IPV disqualifications is established by the Inspector General's office.

However, the AP Supervisor testified on the record that after a careful review of claimant's CDC case, the applicable CDC eligibility policies were followed correctly in processing claimant's CDC eligibility. The income deductions requested by claimant are not authorized by current CDC policy.

The department has established, by the competent, material and substantial evidence on the record that it acted in compliance with department policy when it decided that claimant was not eligible for CDC benefits for the period in question. Furthermore, claimant did not meet her burden of proof to show the department's denial of her CDC application was reversible error.

# DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department correctly denied claimant's CDC application due to claimant's failure to establish the required income eligibility.

Accordingly, the department's action is, hereby, AFFIRMED.

SO ORDERED.

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Jay W. Sexton Administrative Law Judge For Maura D. Corrigan, Director Department of Human Services

Date Signed: June 10, 2011

Date Mailed: June 13, 2011

## 2010/11-/JWS

**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 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.

JWS/tg