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

IN THE MATTER OF:
Issue

Reg. No. No. Case No.

Hearing Date: 22, 2011

County DHS

2011-31169

6033

ADMINISTRATIVE LAW JUDGE: Landis. Y. Lain

June Berrien

#### **HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; MSA 16.409 and MCL 400.37; MSA 16.437 upon the Claimant (Pet itioner's) request for a hearing. After due notice at elephone hearing was held on June 22, 2011. The Petitioner was represented by

#### <u>ISSUE</u>

Whether the Department of Hum an Services (the department) properly determined that claimant petitioner's Title IV-E funding payment for should be cancelled under the circumstances?

## **FINDINGS OF FACT**

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

- (1) The Child is D.B., herein after known as 'the child, DOB
- (2) The child was determined to be Title IV-E eligible afte r his removal from the home in 2003.
- (3) On March 20, 2011, the child turned 18 years of age.
- (4) On April 8, 2011, the department caseworker sent petitioner notice that his Title IV-E funding would be cancelled bec ause the child turned 18 and was not expected to graduate by the age of 19.

- (5) On April 18, 2011, petitioner's r epresentative filed a r equest for a hearing to contest the department's negative action.
- (6) The hearing was held June 22, 2011.

#### **CONCLUSIONS OF LAW**

The regulations governing the hearing and a ppeal process for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code, MAC R 400.901-400.951. An oppor tunity for a hearing shall be granted to an ap plicant who requests a hearing because his or her claim for assistance has been denied. MAC R 400.903(1). Clients have the right to contest a department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The department will provide an administrative hearing to review the decision and determine the appropriateness of that decision. BAM 600.

Legal authority for the Department to provide, purchase or participate in the cost of out-of-home care for youths has been establish ed in state law: t he Probate Code Chapter XII-A, Act 288, P.A. of 1939; the Social Welfare Act. Act 280, P.A. of 1935; the Michigan Children's Institute Act, Act 220, P.A. of 1935; the Michigan Adoption Code, Act 296, P.A. of 1974; and the Youth Rehabilitation Services Act P.A. 150, of 1974. These laws specify the method of the Department involvem ent in these costs. The legislature has established a system whereby:

- (1) The local court may provide out-of-home care directly and request reimbursement by the state (Child Care Fund), or
- (2) The court may commit the youth to the state and reimburse the state for care provided (St ate Ward Board and Care).

In the instant case, the facts are not at i ssue. The child was eligib le for Title IV-E funding upon his removal from the parental home in 2003. The child turned 18 on March 20, 2011. The school that the child att ends indicates in a letter dated April 21, 2011, that it is unlikely that the child will graduate by March 2011 because he had only completed nine certain redits at the time the letter was written. (Department Exhibit #D)

Current Department policy dict ates that Title IV- E elig ibility ends at age 18. A nexception to this eligibility requirement may be granted if (See Program Eligibility Manual 240):

 The child is a full-time student in a high school or in the equivalent level of vocational or technical training, and  Can be reasonably expected to complete high school or vocational or technical training before reaching age 19.

If both conditions are met, the worker needs to open a payment. (Refer to FOM 903-8).

The effective date of the payment is the la st day of the month of the ward's 18t h birthday. Eligibility continues as long as the wards stay in school/training and ends the last day of the month in which the ward graduates (example: graduation is June 7, the end date is June 30, 200).

If youth is expected to graduate after age 19, Title IV-E eligibility ends at age 18.

Title IV-E funding is not available for other youth age 18 or older. However, wardship for both state wards and court wards may cont inue up t o age 19. No later than fourteen (14) days before the youth's 18th birthday the following action is to be taken:

#### State Wards -

- Complete a Redetermination of funding source.
- Change the funding source c ode within SWSS F AJ Placement module with an effective date of the youth's birthday, and

If appropriate, authorize payments.

#### Court Wards -

- Close the payment within SWSS FAJ on the youth's 18th birthday.
- Refer the case for funding through the County Child Care Fund. (FOM, Item 902-3)

Petitioner's representative ar gues that a child who was a product of div orce would continue to receive child support until they graduated from high school or attained the age of 19½. The child, in this case may not graduate by his 19 th birthday because he has had a series of foster home changes and has been in residential placement, with no parental involvement. He is doing much bette r, and has become interested in finishing high school and attending culinary arts school , and that to stop his T itle IV-E funding before he completes high school will penalize the child and jeopardize his chances of completing high school.

The allegation that the child is being penalized through no f ault of his own and therefore, the department's decision must not stand because it is unfair is an equitab le argument to excuse the child from the department policy requirements.

The claimant's grievance centers on dissatisfaction with the department's current policy. The claim ant's request is not within the scope of authority de legated to this Administrative Law Judge pursuant to a written directive signed by the Department of Human Services Director, which states: Administrative Law Judges have no authority to make decisions on constitutional grounds, overrule statutes, and overrule promulgated regulations or overrule or make exceptions to the department policy set out in the program manuals.

Furthermore, administrative adjudication is an exercise of execut ive power rather than judicial power, and restricts the egranting of equitable remedies. *Michigan Mutual Liability Co. v Baker*, 295 Mich 237; 294 NW 168 (1940).

The Administrative Law Judge has no equity powers. Therefore, the Administrative Law Judge finds that the department has establis hed by the necessar y competent, material and substantial evidence on the record that it was acting in compliance with department policy when it determined that the child was no longer eligible to receive Title IV-E funding because cancelled bec ause the child turned 18 and was not expected to graduate high school by his 19<sup>th</sup> birthday.

## **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusion sof law, decides that the department did appropriately determine that the child no longer met the eligibility standards for Title IV-E eligibility because he turned 18 and was not expected to graduate before age 19.

Accordingly, the Department's decision is AFFIRMED.

Landis Y. Lain
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: June 22, 2011

Date Mailed: June 22, 2011

**NOTICE**: Administrative Hearings may or der 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 Hear ings will not orde rarehearing 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 ti mely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

# LYL/alc

