

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 201135036
Issue No: 1038, 3029

[REDACTED]

Kent County DHS

ADMINISTRATIVE LAW JUDGE: C. Adam Purnell

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon Nancy Patton's ("Claimant's") request for a hearing received on May 16, 2011 pertaining to the Michigan Department of Human Services ("Department"). After due notice, a telephone hearing was held on August 3, 2011. Claimant personally appeared for the hearing and was represented by [REDACTED]

ISSUES

1. Did the department properly terminate and sanction the claimant's Family Independence Program (FIP) benefits for noncompliance with Work First/Jobs, Education and Training (WF/JET) requirements?
2. Did the department properly sanction the claimant from the Food Assistance Program (FAP) for the WF/JET noncompliance?

FINDINGS OF FACT

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

1. At all relevant times, the claimant was an active FAP and FIP recipient and was a mandatory WF/JET participant. (Department Exhibit 16).
2. Claimant's residence and mailing address at all relevant times was "[REDACTED]." (Hearing Summary)
3. On December 20, 2010, the department received a Medical Needs (DHS-54A) form signed by [REDACTED] indicating that Claimant was

diagnosed with chronic vertigo and anxiety and that she cannot work at any job for 18 (eighteen) months. (Department Exhibits 33-34).

4. On March 1, 2011, a Medical Review Team (MRT) determined that Claimant was not disabled and was “work-ready” with limitations. (Department Exhibits 16-18).
5. On March 9, 2011, the department mailed Claimant a Jobs, Education and Training Appointment Notice (DHS-4785) scheduling an appointment for Claimant to attend JET orientation on March 21, 2011. (Department Exhibit 76). The DHS-4785 was mailed to Claimant at [REDACTED] (Department Exhibit 76).
6. Claimant did not attend JET orientation on March 21, 2011. (Department Exhibit 1).
7. On March 22, 2011, the department mailed Claimant a Notice of Noncompliance (DHS-2444) which scheduled a Triage appointment for March 30, 2011. (Department Exhibit 77). According to the DHS-2444, Claimant had until April 1, 2011 to demonstrate good cause for noncompliance in order to prevent her FIP case from being closed or reduced. (Department Exhibit 77). The DHS-2444 was mailed to Claimant at [REDACTED] (Department Exhibit 76).
8. Despite the fact that the department mailed the DHS-4785 and DHS-2444 to the incorrect address, Claimant did appear for the Triage via telephone on March 30, 2011. At Triage, Claimant did not produce a record from a physician that indicated she had a medical condition that excused her from any work-related activities or from participation in the JET program.
9. On March 21, 2011, Claimant sent the department several medical records from her physician, but these records did not specifically indicate Claimant was unable to work.
10. On March 31, 2011, the department mailed Claimant a Notice of Case Action (DHS-1605) closing Claimant’s FIP benefits and reducing Claimant’s monthly FAP benefits to [REDACTED] because she failed to participate in employment and/or self-sufficiency-related activities, etc, without good cause. (Department Exhibits 68-73). The DHS-1605 was mailed to Claimant at [REDACTED] (Department Exhibits 68-73).
11. The department closed Claimant’s FIP for 3 (three) months from May 1, 2011 through July 31, 2011 because it was Claimant’s first noncompliance. (Department Exhibits 68-73).

12. On April 25, 2011, the department received a Medical Needs-JET (DHS-54-E) from Claimant's physician indicating that she was last seen by physician on April 22, 2011 and that she cannot work any job for 3 (three) months. (Department Exhibits 79-80).
13. The claimant requested a hearing on May 16, 2011. (Request for a Hearing).

CONCLUSIONS OF LAW

The regulations that govern the hearing and appeal process for applicants and recipients of public assistance in Michigan are contained in the Michigan Administrative Code (Mich Admin Code) Rules 400.901 through 400.951. An opportunity for a hearing shall be granted to a recipient who is aggrieved by an agency action resulting in suspension, reduction, discontinuance, or termination of assistance. Mich Admin Code 400.903(1).

The Department of Human Services ("the department") has policies that govern the administrative hearing process pertaining to a benefit recipient or "client." These policies are contained in the Bridges Administrative Manual (BAM). The client has the right to request a hearing for any action, failure to act or undue delay by the department. BAM 105. The department provides an administrative hearing to review the decision and determine its appropriateness. BAM 600.

The Food Assistance Program (FAP) (formerly known as the Food Stamp (FS) program) is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations (CFR). The Department of Human Services (DHS or department) administers the FAP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3001-3015. The department's policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Bridges Reference Manual (BRM).

The department's stated goal of the Food Assistance Program (FAP) is "to ensure sound nutrition among children and adults." BEM 233B. In addition, the goal of the department's employment-related policies for FAP households is to assist applicants and recipients toward self-sufficiency by providing them with opportunities to pursue employment and/or education and training. BEM 233B.

Policy provides that non-deferred adult members of FAP households must comply with certain work-related requirements in order to receive food assistance. BEM 233B. However, unlike cash benefits, which are tied to participation in the Jobs, Education and Training (JET) program, there are no hourly work participation requirements for the Food Assistance Program. BEM 233B. In order to receive FAP benefits, non-deferred adults must comply with certain work requirements. BEM 233B. Specifically, policy provides that non-deferred adults who are already working may not (1) voluntarily quit a

job of 30 hours or more per week without good cause, (2) voluntarily reduce hours of employment below 30 hours per week without good cause, or (3) be fired from a job for misconduct or absenteeism. BEM 233B. However, if the job quit, reduction in hours or firing occurred more than 30 days prior to the application date, no penalty applies. BEM 233B.

Policy also provides that non-deferred adults who are not working or are working less than 30 hours per week must (1) accept a bona-fide offer of employment and participate in activities required to receive unemployment benefits if the client has applied for or is receiving unemployment benefits. BEM 233B.

FAP clients are disqualified for noncompliance if the applicant or recipient is neither deferred nor noncompliant with one of the FAP work requirements listed above. BEM 233B.

In order to provide all FAP adults with the opportunity to pursue employment and/or education and training that will lead to self-sufficiency; the department may encourage FAP applicants and recipients to pursue employment services such as job search, employment counseling, education and training, etc. BEM 233B.

The department is to determine each group member's participation requirement at application, redetermination and change in circumstance that might affect the person's participation requirement; see BAM 105 for changes in circumstances that are required to be reported for the FAP. BEM 233B.

Clients meeting one of the criteria below are temporarily deferred from employment-related activities. BEM 233B. The department will defer a person who is: (1) Under age 16 or at least age 60, (2) a 16 or 17-year old who is not the grantee, (3) a grantee age 16 or 17 who (a) lives with a parent or person in that role, (b) attends school at least half time, (c) is enrolled in an employment/training program at least half time. BEM 233B. See BEM 240 and BEM 245 for verification requirements.

The department will defer one person who personally provides care for a child under age six who is in the FAP group. BEM 233B. The department will also defer one person who personally provides care for a disabled member of his/her own FAP group. BEM 233B. For purposes of verification, the department will require a statement from an MD/DO that the client's presence is needed to assist the household member with minimum daily activities of living. BEM 233B.

The department will defer persons incapacitated due to injury, physical illness or mental illness. BEM 233B. A reason for deferral will be verified only if it is not obvious and the information provided is questionable (unclear, inconsistent or incomplete). Sources that may be used to verify questionable information are:

- SSI/RSDI/MA approval or receipt based on disability or blindness.

For SSI and RSDI, the department will use one of the sources referenced in FIP policy, Care of Disabled Spouse or Disabled Child in BEM 230A.

- An evaluation signed by a fully licensed psychologist that the client has an IQ of 59 or less.
- Statement from an MD/DO that the person is unable to work. Any medical evidence submitted by a Physician's Assistant must be cosigned by an MD/DO.
- The DHS-54A, Medical Needs; DHS-49, Medical Examination Report; DHS-49-D, Psychiatric/Psychological Examination Report; or another written statement is acceptable. BEM 233B.

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).

With regard to FIP, the department requires its clients to participate in employment and self-sufficiency-related activities and to accept employment when offered. BEM 233A. The department's focus is to assist clients in removing barriers so they can participate in activities which lead to self-sufficiency. BEM 233A. But there are consequences for a client who refuses to participate, without good cause. BEM 233A.

The goal of the FIP penalty policy is to obtain client compliance with appropriate work and/or self-sufficiency-related assignments and to ensure that barriers to such compliance have been identified and removed. BEM 233A. The department's stated goal is to bring the client into compliance. BEM 233A. The department recognizes that noncompliance may be an indicator of possible disabilities. BEM 233A. In this regard, the department does explore whether the client is confronted by any barriers. BEM 233A.

With regard to FIP, a Work Eligible Individual (WEI), see BEM 228, who fails, without good cause, to participate in employment or self-sufficiency-related activities, must be penalized. BEM 233A. As a condition of eligibility, all WEIs and non-WEIs must work or engage in employment and/or self-sufficiency-related activities. BEM 233A. Noncompliance of applicants, recipients, or member adds means doing any of the following without good cause:

- Failing or refusing to:

- .. Appear and participate with the Jobs, Education and Training (JET) Program or other employment service provider.
- .. Complete a Family Automated Screening Tool (FAST), as assigned as the first step in the FSSP process.
- .. Develop a Family Self-Sufficiency Plan (FSSP) or a Personal Responsibility Plan and Family Contract (PRPFC).
- .. Comply with activities assigned to on the Family Self-Sufficiency Plan (FSSP) or PRPFC.
- .. Appear for a scheduled appointment or meeting related to assigned activities.
- .. Provide legitimate documentation of work participation.
- .. Participate in employment and/or self-sufficiency-related activities.
- .. Accept a job referral.
- .. Complete a job application.
- .. Appear for a job interview (see the exception below).
- . Stating orally or in writing a definite intent not to comply with program requirements.
- . Threatening, physically abusing or otherwise behaving disruptively toward anyone conducting or participating in an employment and/or self-sufficiency-related activity.
- . Refusing employment support services if the refusal prevents participation in an employment and/or self-sufficiency-related activity. BEM 233A, pp. 1-2.

Good cause is a valid reason for noncompliance with employment and/or self-sufficiency-related activities that are based on factors that are beyond the control of the

noncompliant person. BEM 233A. A claim of good cause must be verified and documented for member adds and recipients. BEM 233A.

Per department policy, good cause includes the following:

- . The person is working at least 40 hours per week on average and earning at least state minimum wage. BEM 233A.
- . The client is physically or mentally unfit for the job or activity, as shown by medical evidence or other reliable information. This includes any disability-related limitations that preclude participation in a work and/or self-sufficiency-related activity. The disability-related needs or limitations may not have been identified or assessed prior to the noncompliance. BEM 233A.
- . The client has a debilitating illness or injury, or an immediate family member's illness or injury requires in-home care by the client. BEM 233A.
- . The DHS, employment services provider, contractor, agency, or employer failed to make reasonable accommodations for the client's disability or the client's needs related to the disability. BEM 233A, pp. 3-4.
- . The client requested Child Day Care Services (CDC) from DHS, the MWA, or other employment services provider prior to case closure for noncompliance and CDC is needed for a CDC-eligible child, but none is appropriate, suitable, affordable and within reasonable distance of the client's home or work site. BEM 233A.
- . The care is appropriate to the child's age, disabilities and other conditions. BEM 233A.
- . The total commuting time to and from work and child care facilities does not exceed three hours per day. BEM 233A.
- . The provider meets applicable state and local standards. Also, providers (e.g., relatives) who are NOT registered/licensed by the DHS Office of Child and Adult Services must meet DHS enrollment requirements for day care aides or relative care providers. See PEM 704.

- . The child care is provided at the rate of payment or reimbursement offered by DHS. BEM 233A.
- . The client requested transportation services from DHS, the MWA, or other employment services provider prior to case closure and reasonably priced transportation is not available to the client. BEM 233A.
- . The employment involves illegal activities. BEM 233A.
- . The client experiences discrimination on the basis of age, race, disability, gender, color, national origin, religious beliefs, etc. BEM 233A, p. 4.
- . Credible information indicates an unplanned event or factor which likely prevents or significantly interferes with employment and/or self-sufficiency-related activities. Unplanned events or factors include, but are not limited to the following:
 - . Domestic violence.
 - . Health or safety risk.
 - . Religion.
 - . Homelessness.
 - . Jail.
 - . Hospitalization. BEM 233A.
- . The client quits to assume employment comparable in salary and hours. The new hiring must occur before the quit. BEM 233A.
- . The client has a long commute where the total commuting time exceeds:
 - . Two hours per day, NOT including time to and from child care facilities, or
 - . Three hours per day, including time to and from child care facilities. BEM 233A, pp.4-5.

The penalty for noncompliance without good cause is FIP closure. BEM 233A. Effective April 1, 2007, the following minimum penalties apply:

- . For the first occurrence on the FIP case, close the FIP for 3 calendar months unless the client is excused from

the noncompliance as noted in “First Case Noncompliance Without Loss of Benefits” below.

- . For the second occurrence on the FIP case, close the FIP for 3 calendar months.
- . For the third and subsequent occurrence on the FIP case, close the FIP for 12 calendar months.
- . The penalty counter also begins April 1, 2007 regardless of the previous number of noncompliance penalties. BEM 233A.

JET participants will not be terminated from a JET program without first scheduling a “triage” meeting with the client to jointly discuss noncompliance and good cause. BEM 233A. The department policy requires the department to coordinate a local process to notify the MWA case manager of triage meetings including scheduling guidelines. BEM 233A.

Clients can either attend a meeting or participate in a conference call if attendance at the triage meeting is not possible. BEM 233A. If a client calls to reschedule an already scheduled triage meeting, the department requires its staff to offer a phone conference at that time. BEM 233A. Clients must comply with triage requirement within the negative action period. BEM 233A. When a phone triage is conducted for a first noncompliance and the client agrees to comply, the department shall complete the First Noncompliance Letter (DHS-754). BEM 233A.

The department must determine good cause based on the best information available during the triage and prior to the negative action date. BEM 233A. Good cause may be verified by information already on file with DHS or MWA. BEM 233A. If the FIS, JET case manager, or MRS counselor do not agree as to whether “good cause” exists for a noncompliance, the case must be forwarded to the immediate supervisors of each party involved to reach an agreement. BEM 233A. DHS must be involved with all triage appointment/phone calls due to program requirements, documentation and tracking. BEM 233A. Clients not participating with JET must be scheduled for a “triage” meeting between the FIS and the client. BEM 233A. This does not include applicants. BEM 233A, p. 7.

If the client establishes good cause within the negative action period, the department shall not impose a penalty. BEM 233A. The department must send the client back to JET, if applicable, after resolving transportation, CDC, or other factors which may have contributed to the good cause. BEM 233A.

If the client does not provide a good cause reason within the negative action period, the department is required to determine good cause based on the best information available. BEM 233A. If no good cause exists, the department will allow the case to

close. BEM 233A. If good cause is determined to exist, the department should delete the negative action. BEM 233A.

- . The department will disqualify a FAP group member for noncompliance when:
- . The client was active both FIP and FAP on the date of the FIP noncompliance, and
- . The client did not comply with FIP employment requirements, and
- . The client is not deferred from FAP work requirements (see DEFERRALS in BEM 230B), and the client did not have good cause for the noncompliance. BEM 233B, p. 1.

Noncompliance is defined by department policy as failing or refusing to do a number of activities, such as attending and participating with WF/JET, completing the FAST survey, completing job applications, participating in employment or self-sufficiency-related activities, providing legitimate documentation of work participation, etc. BEM 233A.

In this case, Claimant does not dispute that she was noncompliant with WF/JET program requirements. Claimant admits that she did not attend the WF/JET orientation on March 21, 2011. However, Claimant contends that she had good cause for her noncompliance. Specifically, Claimant indicates that she suffered from mental disabilities such as chronic vertigo, depression, anxiety and migraines that prevent her from participating with WF/JET. In support of her position, Claimant purports to have medical records which indicate that she is permanently disabled from any work due to issues with vertigo, anxiety, migraines, etc. However, Claimant's medical records were reviewed by the MRT and Claimant was determined to be work ready with some limitations.

The DHS-2444 Claimant received specifically indicated that in order to prevent FIP case from closure or reduction, Claimant must demonstrate good cause on or before April 1, 2011. Claimant's good cause was based on her alleged medical condition or illness. The applicable policies require that a claim of good cause be verified and documented based upon the best information available during the triage and prior to the negative action date. Here, Claimant failed to produce medical documentation prior to the negative action date (April 1, 2011) to show she had good cause to miss JET orientation based on a medical condition. This means that Claimant would be required to participate with WF/JET within her abilities. WF/JET can develop programs or activities that meet the claimant's limitations. This Administrative Law Judge finds that Claimant may not collaterally attack the MRT findings through the instant proceedings. Therefore,

once MRT determined the claimant could participate with WF/JET, Claimant was required to attend.

During the hearing, Claimant's attorney argued that Claimant did not have proper notice because the department mailed the JET appointment notice, notice of noncompliance and notice of case action to an incorrect address. While the record does reflect that Claimant pointed out at Triage that the department had the wrong address, she did not claim that she had good cause due to lack of notice. The evidence reveals that Claimant's good cause explanation at Triage was based on her claims relating to her medical condition rather than lack of notice. In fact, Claimant did receive actual notice of the Triage appointment and the Notice of Case Action. There is no dispute that Claimant appeared at the Triage and timely requested a hearing in this matter. This Administrative Law Judge does not find that Claimant did not receive notice that she had a JET orientation appointment on March 21, 2011.

As Claimant did not attend WF/JET, she is noncompliant. The department scheduled Claimant for JET orientation in accordance with the MRT determination. Claimant did not attend the orientation as required. Claimant provided no evidence of any specific reason she could not attend WF/JET orientation before the deadline. However, as MRT found, Claimant can attend WF/JET with some limitations; thus, Claimant does not have good cause for her noncompliance.

In closing, this Administrative Law Judge finds that Claimant was noncompliant with WF/JET program requirements when she failed to attend JET program activity on March 21, 2011. The undersigned also finds that Claimant failed to demonstrate good cause for her noncompliance with JET. Accordingly, the department properly imposed sanctions.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department properly terminated and sanctioned Claimant's Family Independence Program (FIP) benefits for noncompliance with Work First/Jobs, Education and Training (WF/JET) requirements.

Based on the reasons stated, the undersigned further finds that the department properly terminated and sanctioned Claimant from the Food Assistance Program (FAP) for the WF/JET noncompliance with Work First/Jobs, Education and Training (WF/JET) requirements.

Accordingly, the department's actions are AFFIRMED.

IT IS SO ORDERED.

/s/

C. Adam Purnell
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: 8/23/11

Date Mailed: 8/23/11

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.

