

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

**IN THE MATTER OF:**



Reg. No.: 201147799  
Issue No.: 1018; 6019  
Case No.: [REDACTED]  
Hearing Date: October 27, 2011  
County: Oakland (2)

**ADMINISTRATIVE LAW JUDGE:** Alice C. Elkin

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claimant's request for a hearing. After due notice, a telephone hearing was held on October 27, 2011, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of Department of Human Services (Department) included Kelly Cutean, Assistant Payment Supervisor.

**ISSUE**

Did the Department fail to process  Claimant's application  Claimant's case for the following benefits:

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> Family Independence Program (FIP)? | <input type="checkbox"/> Adult Medical Assistance (AMP)?              |
| <input type="checkbox"/> Food Assistance Program (FAP)?                | <input type="checkbox"/> State Disability Assistance (SDA)?           |
| <input type="checkbox"/> Medical Assistance (MA)?                      | <input checked="" type="checkbox"/> Child Development and Care (CDC)? |
| <input type="checkbox"/> State SSI Payments (SSP)?                     |   |

**FINDINGS OF FACT**

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

1. Claimant  applied for benefits  received benefits for:

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> Family Independence Program (FIP). | <input type="checkbox"/> Adult Medical Assistance (AMP).              |
| <input type="checkbox"/> Food Assistance Program (FAP).                | <input type="checkbox"/> State Disability Assistance (SDA).           |
| <input type="checkbox"/> Medical Assistance (MA).                      | <input checked="" type="checkbox"/> Child Development and Care (CDC). |
| <input type="checkbox"/> State SSI Payments (SSP)?                     |   |

2. The Department  did  did not process Claimant's  application  case.
3. On December 28, 2010, Claimant filed a hearing request, contending that the Department had failed to process the  application  case.

### **CONCLUSIONS OF LAW**

Department policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT).

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 42 USC 601, *et seq.* The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10, *et seq.*, and Mich Admin Code, R 400.3101 through R 400.3131. FIP replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

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 (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, *et seq.*, and Mich Admin Code, R 400.3001 through R 400.3015.

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105.

The Adult Medical Program (AMP) is established by 42 USC 1315, and is administered by the Department pursuant to MCL 400.10, *et seq.*

The State Disability Assistance (SDA) program, which provides financial assistance for disabled persons, is established by 2004 PA 344. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and 2000 Annual Admin Code Supp, R 400.3151 through R 400.3180.

The Child Development and Care (CDC) 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 provides services to adults and children pursuant to MCL 400.14(1) and Mich Admin Code, R 400.5001 through R 400.5015.

The State SSI Payments (SSP) program is established by 20 CFR 416 and the Social Security Act, 616 [42 USC 1382e]. The Department administers the program pursuant to MCL 400.10, *et seq.*

Additionally, in this case, Claimant applied for CDC and FIP benefits on September 12, 2010. The Department is required to process applications and to send the client a notice of case action notifying the client whether requested benefits have been approved or denied. BAM 220. On October 19, 2010, the Department sent Claimant a Notice of Case Action denying Claimant's application for FIP benefits on the basis that the group's countable income exceeded the limit for the program and denying Claimant's applications for CDC benefits on the basis that the parent/parent substitute did not have a need for child day care services due to employment, education, or family preservation reasons. However, the Notice also included a statement to "[p]lease disregard [sic] this letter. Sent in error" just under "Comments From Your Specialist About This Notice." At the hearing, the Department could not explain the comment and testified that no further notices of case action were sent to Claimant with respect to her September 12, 2010 application. Because of the comment on the Notice Claimant received, the Notice created some confusion as to the status of Claimant's application. Because no other Notices of Case Action were sent to Claimant in connection with her application clearly indicating whether her application was approved or denied, the Department failed to properly process Claimant's application.

At the hearing, Claimant also claimed that the FIP/SDA Income Test run in connection with her application improperly calculated her group's earned income as \$1376, an amount greater than what her group actually earned. The Department conceded that it could not determine how the earned income total of \$1376 had been calculated, although its records indicated that Claimant's group actually earned more than \$1376. Claimant also testified that she began schooling on October 10, 2010, and this was her need basis for CDC benefits. The Department acknowledged that a client's participation in training activities or education programs approved by the Department may constitute a valid need for CDC benefits, BEM 703, but was unsure whether Claimant had established a valid need for CDC benefits based on her schooling at the time of her application. In reprocessing Claimant's application to determine Claimant's eligibility for FIP and CDC benefits, the Department should reevaluate Claimant's income and her need basis for child care services in light of the foregoing facts.

Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, the Administrative Law Judge concludes that the Department

did  did not properly process Claimant's  application  case  
for:  AMP  FIP  FAP  MA  SDA  CDC  SSP.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department

did act properly.  did not act properly.

Accordingly, the Department's  AMP  FIP  FAP  MA  SDA  CDC  SSP decision, for the reasons stated above and on the record, is

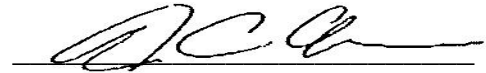
AFFIRMED

REVERSED

AFFIRMED IN PART with respect to \_\_\_\_\_ and REVERSED IN PART with respect to \_\_\_\_\_.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Reregister Claimant's September 12, 2010 application for FIP and CDC benefits;
2. Begin reprocessing the application, taking into consideration the income and child care need issues discussed in this Decision; and
3. Notify the Claimant in writing of its decision in accordance with Department policy.



**Alice C. Elkin**

Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: 11/01/11

Date Mailed: 11/03/11

**NOTICE:** Michigan Administrative Hearing System (MAHS) 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. MAHS 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. (60 days for FAP cases)

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.

Claimant may request a rehearing or reconsideration for the following reasons:

- A rehearing **MAY** be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.
- A reconsideration **MAY** be granted for any of the following reasons:
  - misapplication of manual policy or law in the hearing decision,
  - typographical errors, mathematical error, or other obvious errors in the hearing decision that effect the substantial rights of the claimant:
  - the failure of the ALJ to address other relevant issues in the hearing decision.

Request must be submitted through the local DHS office or directly to MAHS by mail at  
Michigan Administrative hearings  
Reconsideration/Rehearing Request  
P. O. Box 30639  
Lansing, Michigan 48909-07322

ACE/dj

cc:

