

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:



Reg. No.: 20117902  
Issue No.: 1018  
Case No.: [REDACTED]  
Load No.: [REDACTED]  
Hearing Date: February 3, 2011  
Oakland County DHS

**ADMINISTRATIVE LAW JUDGE:** Aaron McClintic

**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 February 3, 2011. The Claimant appeared and testified. [REDACTED], FIS appeared and testified for the Department.

**ISSUE**

Was the Department correct in determining Claimant's Family Independence Program benefits?

**FINDINGS OF FACT**

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

- (1) Claimant applied for FIP benefits on September 8, 2010.
- (2) Claimant earned \$838 per month in employment in October 2010.
- (3) Claimant's FIP benefits were reduced to extended FIP benefits of \$10, due to excess income effective November 2010.
- (4) Claimant's income for November 2010 was \$537.
- (5) Claimant's FIP benefits were \$133 for December 2010 and going forward.
- (6) Claimant requested hearing on November 8, 2010, contesting the determination of FIP benefits.

CONCLUSIONS OF LAW

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 Dependant 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).

Families receive EFIP for up to six months, with a grant of \$10, when loss of FIP eligibility relates to income from employment of a FIP program group member. BEM 519.

**INCOME DEDUCTIONS FIP, RAPC and SDA Only** Income deductions are available at both the member and the group level. Apply deductions in the order they are presented in this item. **Earned Income Disregard** Deduct \$200 from each person's countable earnings. Then deduct an additional 20% of each person's remaining earnings. The total disregard **cannot** exceed countable earnings. Apply this disregard separately to each program group member's earned income. **Paid-out Support** Deduct the amount of court-ordered support payments including arrearages expected to be paid by the program group from the group's total countable income. Deduct payments made for children not in the home. Deduct legally obligated child support paid to an individual or agency outside the household, for a child who is now a household member, provided the payments are not returned to the household. Process reported changes and convert ongoing payments to a standard monthly amount using policy in [BEM 505](#).

**VERIFICATION REQUIREMENTS** Verify child support payments paid by the group at opening, redetermination and when a change is reported that will continue into the second month after the report month. BEM 518.

In the present case, Claimant earned \$967.50 a month in October 2010. This was determined by multiplying \$9.00 per hour times 25 hours times 4.3 weeks pursuant to Department policy. BEM 505. After deducting the \$200 standard income deduction and 153 for the percentage earned income deduction, Claimant had \$613 budgetable income. \$613 exceeds the payment standard of \$403 for a household of two for the FIP program. RFT 210. Therefore, the Department's determination to change the Claimant's benefit to extended FIP is proper and correct. BEM 519. This was the determination made by the Department, and it is correct.

In November 2010 Claimant earned \$537. After deducting the \$200 standard income deduction and \$67 for the percentage earned income deduction, Claimant had \$270 budgetable income. With the \$403 payment standard, there was a \$133 deficit amount which results with a \$133 grant amount. This is the determination made by the Department and it is proper and correct. BEM 518.

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Claimant testified regarding child support expense, but Claimant failed to provide adequate verification of child support expense and therefore it was not included in the budget pursuant to Department policy. BEM 518. Claimant presented a coupon book from the MISDU and a court order from the Oakland County Family Court, but no proof that he was paying the child support that was ordered. The Department Worker credibly testified at hearing that the child support data base showed no support being paid.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department correctly determined Claimant's FIP eligibility, and is hereby AFFIRMED.



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Aaron McClintic  
Administrative Law Judge  
For Maura Corrigan, Director  
Department of Human Services

Date Signed: February 16, 2011

Date Mailed: February 16, 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.

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