

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 20119614

Issue No: 3002, 6019

[REDACTED]  
Muskegon County DHS

**ADMINISTRATIVE LAW JUDGE:** Kevin Scully

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge by authority of MCL 400.9 and MCL 400.37. Claimant's request for a hearing was received on October 25, 2010. After due notice, a telephone hearing was held on Tuesday, January 18, 2011.

**ISSUE**

Whether the Department of Human Services (Department) properly determined the Claimant's Food Assistance Program (FAP) and Child Development and Care (CDC) eligibility?

**FINDINGS OF FACT**

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

1. The Claimant applied for FAP on October 11, 2011.
2. On June 15, 2010, the Claimant was approved for CDC benefits.
3. The Claimant's employment ended on August 6, 2010.
4. The Claimant receives monthly unearned income in the gross monthly amount of [REDACTED]
5. On October 18, 2010, the Department approved the Claimant for FAP benefits with a monthly FAP allotment of [REDACTED] for October of 2010, and [REDACTED] for November of 2010.

6. The Claimant's chosen childcare provider completed the "Great Start to Quality Orientation" program on August 21, 2010.
7. The Department received the Claimant's request for a hearing on October 25, 2010, protesting the amount of her FAP and CDC benefits.

### **CONCLUSIONS OF LAW**

The Food Assistance Program (FAP) (formerly known as the Food Stamp 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. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), Reference Table Manual (RFT), and the Bridges Reference Manual (BRM).

For FAP purposes, all earned and unearned income available to the Claimant is countable. Earned income means income received from another person or organization or from self-employment for duties for duties that were performed for compensation or profit. Unearned income means all income that is not earned, including but not limited to funds received from the Family Independence Program (FIP), State Disability Assistance (SDA), Child Development and Care (CDC), Medicaid (MA), Social Security Benefits (RSDI/SSI), Veterans Administration (VA), Unemployment Compensation Benefits (UCB), Adult Medical Program (AMA), alimony, and child support payments. The amount counted may be before than the client actually receives because the gross amount is used prior to any deductions. BEM 500.

The Department determines a client's eligibility for program benefits based on the client's actual income and/or prospective income. Actual income is income that was already received. Prospective income is income not yet received but expected. Prospective budgeting is the best estimate of the client's future income. BEM 505.

The Claimant applied for FAP benefits on October 11, 2011. The Claimant received monthly unearned income in the gross monthly amount of [REDACTED] an amount that the Claimant did not dispute during the hearing. The Claimant's adjusted gross income of [REDACTED] was determined by subtracting the standard deduction of [REDACTED] from her total monthly income. The Claimant's excess shelter deduction of [REDACTED] was determined by subtracting 50% of her adjusted gross income from her shelter expenses, which consisted solely of the [REDACTED] heat and utility standard under the Low Income Home Energy Assistance Program.

The Claimant's net countable income of [REDACTED] was determined by subtracting her excess shelter deduction from her adjusted gross income. A claimant with a group size of three and a net income of [REDACTED] entitled to a FAP allotment of [REDACTED] which is the amount of FAP benefits granted to the Claimant for November of 2010. RFT 260. The Claimant's FAP allotment of [REDACTED] for October of 2010 was prorated based on her

application date of October 11, 2010. I find that the Department has established that it acted in accordance with policy determining Claimant's FAP allotment.

The Claimant argued that the Department failed to apply her monthly mortgage expense to her FAP budget.

However, the Claimant failed to verify her housing expenses. The Claimant submitted a single page from a purchase agreement as verification of her housing expense. This verification is incomplete because it does not include an address for the home. The expenses listed on this purchase agreement are not sufficient verification of the Claimant's current housing expenses. Therefore, the Department correctly processed the Claimant's FAP application without this expense.

The Department received the Claimant's request for a hearing on October 25, 2010, protesting her FAP and CDC benefits. During the hearing the Claimant testified that she had problems with her FAP benefits before her October 11, 2010, application. The Claimant's hearing request stems from a case action that occurred on October 18, 2010. The Claimant had submitted a prior hearing request, but voluntarily withdrew from this hearing on December 10, 2010. This Administrative Law Judge does not have the authority to hearing the Claimant's grievances before October 18, 2010, because they have already been disposed of. The Claimant's only recourse is to request a re-hearing for the hearing scheduled for December 14, 2010, from the State Office of Administrative Hearings and Rules (SOAHR).

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 found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), Reference Table Manual (RFT), and the Bridges Reference Manual (BRM).

The goal of the Child Development and Care (CDC) program is to preserve the family unit and to promote its economic independence and self-sufficiency by promoting safe, affordable, accessible, quality childcare for qualified Michigan families. BEM 703

There are four valid CDC need reasons. Each parent/substitute parent of the child needing care must have a valid need reason during the time child care is requested. Each need reason must be verified and exists only when each parent/substitute parent is unavailable to provide the care because of:

- Family preservation.
- High school completion.
- An approved activity.
- Employment. BEM 703.

Care must be provided in Michigan by an eligible provider. Eligible providers are those monitored by DHS, Bureau of Children and Adult Licensing (BCAL), or enrolled by DHS. BEM 704. Providers are eligible for payment starting with the pay period that holds the provider management training date, and payments for any care provided prior to the training date cannot be authorized or paid. BEM 704. A new DHS-220-A, Child Development and Care - Aide Provider Application or a DHS-220-R, Relative Care Provider Application is now required prior to enrolling a provider who has been approved through the administrative review process. BEM 704.

All aide and relative care providers applying or reapplying on or after March 7, 2010, must complete a one time basic training requirement before they will be eligible to receive DHS payments. Great Start to Quality Orientation, is a free six-hour interactive training.

Training topics include:

- American Heart Association First Aid and CPR certification.
- Nutrition.
- Health and safety.
- Shaken baby syndrome.
- Safe Sleep practices.

Aide and relative care providers will not be eligible for payment until the pay period that includes the date training was completed. Bridges Program Bulletin 2010-010 (5/1/2010).

The Claimant was an ongoing CDC recipient when she reapplied for benefits on October 11, 2010. The Department had approved the Claimant for CDC benefits on June 15, 2010.

Although the Claimant was approved for benefits, no benefits were being issued to the Claimant's chosen childcare provider because the provider had not completed the Great Start to Quality Orientation. The Claimant's chosen childcare provider was not eligible to receive CDC payments even though she had been previously certified to receive CDC benefits until after completion of the Great Start to Quality Orientation. The childcare provider completed the Program on August 21, 2010.

However, the Claimant's employment had ended on August 6, 2010. Therefore, the Claimant had no verified need for childcare after August 6, 2010, and the Department terminated her CDC benefits.

The Department has established that it acted in accordance with policy when it compensate the Claimant's chosen childcare provider before completion of the Great Start to Quality Orientation.

The Department has established that it acted in accordance with policy when it determined the Claimant's eligibility to receive CDC benefits after August 6, 2010.

