

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.: 2011-10787
Issue No.: 1015
Case No.: [REDACTED]
Hearing Date: January 19, 2011
Wayne County DHS (35)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 January 19, 2011. [REDACTED] (Claimant) appeared and testified. On behalf of Department of Human Services (DHS), [REDACTED], Specialist, appeared and testified.

ISSUE

Whether DHS properly reduced Claimant's Family Independence Program (FIP) benefit issuances effective 12/2010.

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 was an ongoing FIP benefit recipient.
2. Claimant was also an ongoing Supplemental Security income (SSI) recipient.
3. Claimant is part of a household that includes himself and his two minor children.
4. Effective 6/2010, the Social Security Administration (SSA) terminated Claimant's eligibility for SSI benefits.
5. Effective 7/2010, DHS issued FIP benefits to Claimant in the amount of \$492/month.

6. On an unspecified date, DHS reduced Claimant's cash benefits to \$269/month effective 12/2010.
7. As of 12/2010, neither Claimant nor his children have income.
8. On 11/23/10, Claimant requested a hearing disputing a DHS action to his Medicaid, Food Assistance Program (FAP) and cash benefits; Claimant states that DHS has not taken any adverse action to his Medicaid or FAP benefits and that he only disputes the reduction of cash 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 (formerly known as the Family Independence Agency) 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 Reference Tables Manual (RFT).

State Disability Assistance (SDA) is a cash program for individuals who are not eligible for FIP and are disabled or the caretaker of a disabled person. An SDA eligibility determination group (EDG) consists of either a single adult or adult and spouses living together. To be eligible for FIP, a child must live with a legal parent, stepparent or other qualifying caretaker. BEM 210 at 1.

The payment standard for SDA benefits is \$269/month. RFT 225 at 1. The payment standard for a three-person FIP benefit group is \$492/month. RFT 210 at 1.

In the present case, DHS reduced Claimant's FIP benefits from \$492/month to \$269/month effective 12/2010. \$269 represents the appropriate cash issuance amount for Claimant if he was not eligible for FIP benefits. Claimant is eligible for FIP benefits if he has minor children.

DHS conceded that there was not any known legitimate reason why DHS would have reduced Claimant's cash benefit amount. Claimant received \$492/month in FIP benefits immediately prior to 12/2010 and the testifying specialist attributed the reduction in the benefit amount to a mistake. The best explanation for the mistake was that something was incorrectly changed to base Claimant's cash issuance amount on an SDA payment standard rather than a FIP payment standard. DHS conceded that Claimant was entitled to a cash benefit based on the FIP payment standard. As DHS and Claimant agree that Claimant's cash benefits were wrongly reduced, and the settlement appears to comply

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with DHS regulations, the undersigned is inclined to accept the agreement that Claimant's FIP benefits should be restored to \$492/month effective 12/2010.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS improperly reduced Claimant's FIP benefits from \$492/month to \$269/month effective 12/2010. It is ordered that DHS reinstate Claimant's FIP benefits to \$492 effective 12/2010 and that Claimant is supplemented for any benefits not received as a result of the improper reduction. The actions taken by DHS are REVERSED.

Christian Gardocki

Christian Gardocki
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: 1/31/2011

Date Mailed: 1/31/2011

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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