

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

IN THE MATTER OF:

[REDACTED]

Reg No: 2011-14224

[REDACTED]

Kent County DHS-41

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

DECISION AND ORDER

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, an in person hearing was held on August 11, 2011. The Claimant appeared and testified. The Department was represented by [REDACTED] Case Manager.

ISSUE

Did the Department properly close Claimant's Family Independence Program ("FIP") benefits case due to excess income based on receipt of child support?

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 a recipient of FIP benefits.
2. On February 1, 2010 the Department received a DL-060 Child Support Collections printout that referenced the Claimant.
3. This printout shows [REDACTED] for February 2010, [REDACTED] for January 2010, and [REDACTED] for December 2009 under the heading for COLLECTIONS.
4. Notice of closure was sent to Claimant on February 9, 2010 for a March 1, 2010 closure for excess income based on receipt of child support over the FIP grant amount for 2 consecutive months.

5. Claimant testified that she did not receive child support in excess of her FIP grant in any month.
6. The Department provided another document at hearing from the case file showing "Amount dispersed by Docket" in amounts of [REDACTED] for the months of December 2009, January 2010, and February 2010.
7. Claimant requested a hearing on April 5, 2010 contesting the closure 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).

Child Support Income Test FIP Only

A child support income test is required only when the group has certified support of more than \$50. Bridges automatically completes a child support income test whenever a deficit test is required and whenever a change in the amount of certified support is expected to continue. To complete a child support income test, the group's total voluntary/ direct support amounts are added to the gross monthly certified amount (for applicants, this includes the amount **to be** certified). Up to \$50 from this amount is excluded. The result is added to the group's net earned and other unearned income. Any support paid for persons not in the home is deducted from this total. The resulting amount is compared to the eligible group's payment standard. If the result is equal to or greater than the certified group's payment standard the group is **not** eligible for assistance. Grant in Jeopardy Bridges compares the approved ongoing FIP grant amount to the reimbursement and certified support when it is recorded in the MiSDU. The unearned income record is created and eligibility is determined prior to the negative action cut-off date to affect the next month. FIP cases that close due to child support exceeding the FIP grant are reported to the worker to record the direct support in Bridges that will now be decertified. BEM 518

In the present case, the Department used a printout showing how much child support was collected from Claimant's payor during the months in question in processing the case for closure. Claimant testified that she did not receive child support in those amounts because monies were remitted to the state due to her receipt on FIP benefits. The Department presented another document showing Claimant received \$50 for the months of December 2009, January 2010, and February 2010. The Department failed to

follow the procedures outlined in BEM 518 in processing Claimant's case for closure. Claimant did not receive child support in amounts greater than her FIP grant. Accordingly, the Department's closure of FIP was improper and incorrect.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law decides that the Department was incorrect in the closure of FIP benefits, and it is ORDERED that the Department's decision in this regard be and is hereby REVERSED. Claimant's FIP benefits shall be reinstated as of the date of closure and all FIP benefits owed to the Claimant shall be paid in the form of a supplement.



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

Date Signed: 8/16/11

Date Mailed: 8/16/11

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 60 days of the filing of the original request.

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.

AM/ds

