

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

IN THE MATTER OF:

[REDACTED]

Reg No: 2011-18087
Issue No: 1015
Case No: [REDACTED]
Hearing Date:
April 14, 2011
Wayne County DHS (17)

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

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 conducted on April 14, 2011. The Claimant [REDACTED] appeared and testified. [REDACTED] was present and appeared on behalf of the Department.

ISSUE

Whether the Department properly calculated the Claimant's Cash Assistance ("FIP") 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. The Department reduced the claimant's FAP benefits, beginning January 1, 2011, due to the claimant's receipt of unemployment compensation benefits. Exhibit 1

2. The claimant has four members in her FIP group and is currently receiving unemployment compensation benefits as of January 2011 in the amount of \$145 weekly. Claimant Exhibit 1
3. The Department used unearned income in the amount of \$495 for the month of December 2010 when computing the claimant's FIP budget.
Exhibit 2
4. The Claimant testified that she did not receive any unemployment benefits in December 2010.
5. The SOLQ report provided by the Department at the hearing indicated that the claimant's income for the month of December from unemployment benefits was \$282 and \$257 for a total of \$539.
6. The Department could not determine, during the hearing, how it determined to use the amount of \$495 in unearned income to calculate the FIP benefits for the month of January 2011.
7. The claimant testified that she did not receive any unemployment compensation benefits in the month of December 2010 and only recently began receiving \$145 per week in unemployment benefits in January 2011. Claimant Exhibit 1
8. The claimant filed a request for a hearing on January 7, 2011, protesting the decrease in her FIP benefits for the month of January 2011

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 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 Bridges Reference Manual (“BRM”).

In this case, the Claimant questions the amount of the FIP cash allotment reduction to \$102 per month for January 1, 2011. The Claimant bases her objection on a letter from the Unemployment Compensation Bureau dated January 10, 2011. The letter indicates that the Claimant was eligible to receive unemployment benefits of \$145 per week as of December 14, 2010. The Claimant further testified that she did not receive unemployment benefits in December but began receiving benefits in January 2011.


Financial need exists when the eligible group passes both the “Deficit Test” and the “Child Support Income Test.” To perform the deficit test, which was used to determine the Claimant’s benefits, the Department must subtract the program group’s budgetable income from the eligible group’s payment standard (BEM 515) for the benefit month. The payment standard for a group of four is \$597.00. RFT 210. Claimant’s household income as determined by the Department was \$495 but could not be substantiated by the SOLQ documents provided by the Department or the Claimant’s testimony. The Claimant testified that she began receiving unemployment benefits in January 2011. Based on the foregoing, the Department’s reduction of the Claimant’s FIP benefits for January 1, 2011 cannot be substantiated by the record and therefore its determination is reversed.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department's proofs at the hearing did not demonstrate that the Claimant's FIP benefits were properly calculated, as the basis for the unearned income amount could not be substantiated, and therefore its determination of FIP benefits is REVERSED.

Accordingly, it is ORDERED:

1. The Department shall recalculate the Claimant's FIP cash assistance budget to determine the Claimant's FIP benefits for January 1, 2011, and shall determine the actual unearned income received by the Claimant in unemployment benefits, if any, in December 2010.
2. The Department shall issue a FIP supplement to the Claimant for any FIP benefits she was otherwise entitled to receive.


Lynn M. Ferris
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: 05/16/11

Date Mailed: 05/18/11

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 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.

LMF/dj

cc:

