

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

IN THE MATTER OF:



Reg. No: 2011-30494  
Issue No: 1038

  
St. Joseph County DHS

ADMINISTRATIVE LAW JUDGE: Corey A. Arendt

**HEARING DECISION**

This matter is before me pursuant to MCL 400.9 and MCL 400.37 upon Claimant's request for a hearing. After due notice, a hearing was held on June 15, 2011. The Claimant and Agency appeared by telephone and provided testimony.

**ISSUE**

Did the Department properly terminate and sanction the Claimant's Family Independence Program (FIP) benefits for noncompliance with Work First/Jobs, Education and Training (WF/JET) requirements?

**FINDINGS OF FACT**

I find, based upon the competent, material and substantial evidence on the whole record, finds as material fact:

1. On March 7, 2011, Claimant attended Day 1 of JET and completed all of her orientation paperwork. During the orientation, Claimant told a JET employee she was bi-polar and only able to work 20-25 hours a week. The JET employee provided Claimant with a Medical Needs Form (54-E) and instructed the Claimant to have the form filled out and returned to her case worker. The JET employee told Claimant she was fully expected to participate in JET trainings, job search and work unless a completed 54-E stated otherwise. (Department Exhibit 5, 6).
2. On March 15, 2011, Claimant called her case manager. Claimant told her Case Manager she was not going to be in because she was taking her son to the Emergency Room. The Case Manager told Claimant she needed to bring in

documentation to substantiate her claim along with her completed Job Search Logs on March 22, 2011. (Department Exhibit 4).

3. On March 22, 2011, Claimant failed to report to the JET program office or provide JET with the requested documentation to substantiate her March 15, 2011 absence. (Department Exhibit 4).
4. On March 22, 2011, a Case Manager issued Claimant two missed assignments for failing to turn in documentation and being absent on March 22, 2011. (Department Exhibit 4).
5. On March 23, 2011, a Case Manager reviewed Claimant's hours for the weeks of March 6, 2011 and March 13, 2011. The Case Manager found Claimant failed to meet her minimum participation hours for both weeks. The Case Manager issued Claimant one missed assignment for both weeks she failed to meet her minimum participation hours. (Department Exhibit 4).
6. On March 23, 2011, a Case Manager scheduled a triage for March 31, 2011. (Department Exhibit 9, 10).
7. On March 24, 2011, the Claimant submitted to JET medical documentation to excuse her absences on March 15, 2011 and March 22, 2011.
8. On March 30, 2011, Claimant submitted to JET a completed 54-E (Department Exhibit 7-8).
9. On March 31, 2011, a triage took place between Claimant, JET and the Department. (Department Exhibit 3, 4, 11).
10. On March 31, 2011, the Department sent Claimant a notice of case action. (Department Exhibit 12-15).

### **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 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 Program Reference Manual (PRM).

Department policy indicates:

### **DEPARTMENT PHILOSOPHY**

## **FIP**

DHS requires clients to participate in employment and self-sufficiency-related activities and to accept employment when offered. Our focus is to assist clients in removing barriers so they can participate in activities which lead to self-sufficiency. However, there are consequences for a client who refuses to participate, without good cause.

The goal of the FIP penalty policy is to obtain client compliance with appropriate work and/or self-sufficiency-related assignments and to ensure that barriers to such compliance have been identified and removed. The goal is to bring the client into compliance.

Noncompliance may be an indicator of possible disabilities. Consider further exploration of any barriers.

## **DEPARTMENT POLICY**

### **FIP**

A Work Eligible Individual (WEI), see BEM 228, who fails, without good cause, to participate in employment or self-sufficiency-related activities, must be penalized.

See BEM 233B for the Food Assistance Program (FAP) policy when the FIP penalty is closure. For the Refugee Assistance Program (RAP) penalty policy, see BEM 233C. BEM 233A, p. 1.

## **NONCOMPLIANCE WITH EMPLOYMENT AND/OR SELF-SUFFICIENCY-RELATED ACTIVITIES**

As a condition of eligibility, all WEIs and non-WEIs must work or engage in employment and/or self-sufficiency-related activities. Noncompliance of applicants, recipients, or member adds means doing any of the following without good cause:

- . Failing or refusing to:
  - .. Appear and participate with the Jobs, Education and Training (JET) Program or other employment service provider.

- .. Complete a Family Automated Screening Tool (FAST), as assigned as the first step in the FSSP process.
- .. Develop a Family Self-Sufficiency Plan (FSSP) or a Personal Responsibility Plan and Family Contract (PRPFC).
- .. Comply with activities assigned to on the Family Self-Sufficiency Plan (FSSP) or PRPFC.
- .. Appear for a scheduled appointment or meeting related to assigned activities.
- .. Provide legitimate documentation of work participation.
- .. Participate in employment and/or self-sufficiency-related activities.
- .. Accept a job referral.
- .. Complete a job application.
- .. Appear for a job interview (see the exception below).
- . Stating orally or in writing a definite intent not to comply with program requirements.
- . Threatening, physically abusing or otherwise behaving disruptively toward anyone conducting or participating in an employment and/or self-sufficiency-related activity.
- . Refusing employment support services if the refusal prevents participation in an employment and/or self-sufficiency-related activity. (BEM 233A, pp. 1-2).

### **GOOD CAUSE FOR NONCOMPLIANCE**

Good cause is a valid reason for noncompliance with employment and/or self-sufficiency-related activities that are based on factors that are beyond the control of the noncompliant person. A claim of good cause must be

verified and documented for member adds and recipients. Document the good cause determination in Bridges and the FSSP under the "Participation and Compliance" tab.

**Good cause includes the following:**

- . The person is working at least 40 hours per week on average and earning at least state minimum wage.
- . **The client is physically or mentally unfit for the job or activity, as shown by medical evidence or other reliable information.** This includes any disability-related limitations that preclude participation in a work and/or self-sufficiency-related activity. **The disability-related needs or limitations may not have been identified or assessed prior to the noncompliance.**

**Illness or Injury**

The client has a debilitating illness or injury, or an immediate family member's illness or injury requires in-home care by the client.

**NONCOMPLIANCE PENALTIES FOR ACTIVE FIP CASES AND MEMBER ADDS**

The penalty for noncompliance without good cause is FIP closure. Effective April 1, 2007, the following minimum penalties apply:

- . For the first occurrence on the FIP case, close the FIP for 3 calendar months unless the client is excused from the noncompliance as noted in "First Case Noncompliance Without Loss of Benefits" below.
- . For the second occurrence on the FIP case, close the FIP for 3 calendar months.
- . For the third and subsequent occurrence on the FIP case, close the FIP for 12 calendar months.
- . The penalty counter also begins April 1, 2007 regardless of the previous number of noncompliance penalties.

**TRIAGE**

JET participants will not be terminated from a JET program without first scheduling a “triage” meeting with the client to jointly discuss noncompliance and good cause. Locally coordinate a process to notify the MWA case manager of triage meetings including scheduling guidelines.

Clients can either attend a meeting or participate in a conference call if attendance at the triage meeting is not possible. If a client calls to reschedule an already scheduled triage meeting, offer a phone conference at that time. Clients must comply with triage requirement within the negative action period.

When a phone triage is conducted for a first noncompliance and the client agrees to comply, complete the DHS-754, First Noncompliance Letter, as you would complete in a triage meeting. Note in the client signature box “Client Agreed by Phone”. Immediately send a copy of the DHS-754 to the client and phone the JET case manager if the compliance activity is to attend JET.

Determine good cause based on the best information available during the triage and prior to the negative action date. Good cause may be verified by information already on file with DHS or MWA.

If the FIS, JET case manager, or MRS counselor do not agree as to whether “good cause” exists for a noncompliance, the case must be forwarded to the immediate supervisors of each party involved to reach an agreement.

DHS must be involved with all triage appointment/phone calls due to program requirements, documentation and tracking.

**Note:** Clients not participating with JET must be scheduled for a “triage” meeting between the FIS and the client. This does not include applicants. (BEM 233A, p. 7).

### **Good Cause Established**

If the client establishes good cause within the negative action period, do **NOT** impose a penalty. See “Good Cause for Noncompliance” earlier in this item. Send the client back

to JET, if applicable, after resolving transportation, CDC, or other factors which may have contributed to the good cause. Do not enter a new referral on ASSIST. Enter the good cause reason on the DHS-71 and on the FSSP under the "Participation and Compliance" tab.

### **Good Cause NOT Established**

If the client does NOT provide a good cause reason within the negative action period, determine good cause based on the best information available. If no good cause exists, allow the case to close. If good cause is determined to exist, delete the negative action. (BEM 233A, pp. 10-11).

Noncompliance is defined by department policy as failing or refusing to do a number of activities, such as attending and participating with WF/JET, completing the FAST survey, completing job applications, participating in employment or self-sufficiency-related activities, providing legitimate documentation of work participation, etc. (BEM 233A).

The Claimant provided un rebutted testimony indicating she timely submitted medical documentation to substantiate good cause for the noncompliance. Although the Department provided MIS notes from a JET worker, the notes failed to demonstrate a complete failure on the part of the Claimant to submit the necessary documentation to establish good cause.

Good cause for noncompliance can be found where the Client is found to be physically or mentally unfit for the job or activity, as shown by medical evidence or other reliable information. (BEM 233A, p. 4). In addition, there is no need for the Claimant's fitness for duty to be addressed or proven before a finding of noncompliance. (BEM 233A, p. 4). In the present matter, the Claimant submitted medical documentation (54E) on March 30, 2011 indicating she was mentally unfit to work more than 20 hours a week. As a result, the Claimant has good cause for noncompliance in regards to not meeting the minimum work requirements for the weeks of March 6, 2011 and March 13, 2011. In addition, the Claimant submitted medical documentation on March 24, 2011 to excuse her absences on both March 15, 2011 and March 22, 2011. Therefore, I find the Claimant had good cause for noncompliance for these missed assignments as well.

Accordingly, I find the Department's actions should be reversed.

**DECISION AND ORDER**

I find, based upon the above findings of fact and conclusions of law, decide that:

1. The Department improperly terminated the Claimant's Family Independence Program (FIP) benefits for noncompliance with WF/JET requirements.
2. The Department is ordered to reinstate the Claimant's FIP benefits.

Accordingly, the Department's actions are REVERSED.

\_\_\_\_\_/s/\_\_\_\_\_  
Corey A. Arendt  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: 6/17/11

Date Mailed: 6/17/11

**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.

CAA/ds

