

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.: 20118529
Issue No.: 1018
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date: February 3, 2011
Wayne County DHS

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

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 February 3, 2011. The Claimant appeared and testified. [REDACTED], ES and [REDACTED], FIM appeared and testified for the Department.

ISSUE

Was the Department correct in denying Claimant's Family Independence Program application due to excess income?

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 applied for FIP benefits on August 2, 2010.
- (2) Claimant earned \$881 employment income in July 2010.
- (3) Claimant's FIP application was denied due to excess income.
- (4) Claimant requested hearing on November 8, 2010 contesting the denial 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).

INCOME DEDUCTIONS FIP, RAPC and SDA Only Income deductions are available at both the member and the group level. Apply deductions in the order they are presented in this item. **Earned Income Disregard** Deduct \$200 from each person's countable earnings. Then deduct an additional 20% of each person's remaining earnings. The total disregard **cannot** exceed countable earnings. Apply this disregard separately to each program group member's earned income. BEM 518.

In the present case, Claimant earned \$881 a month. This was determined by averaging the check stubs received by the Department pursuant to Department policy. BEM 505. After deductions of \$200 for the standard deduction and \$136 for the percentage deduction, Claimant's budgetable income of \$545 exceeds the payment standard of \$492 for a household of two for the FIP program. RFT 210. Department policy dictates that applications are denied where budgetable income exceeds that payment standard. BEM 518. This was the determination made by the Department and it is correct.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law decides that the Department correctly determined Claimant's FIP eligibility and is hereby AFFIRMED.



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

Date Signed: February 16, 2011

Date Mailed: February 16, 2011

20118529/AM

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.

AM/hw

cc:

