

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 201238839  
Issue No.: 1017  
Case No.: [REDACTED]  
Hearing Date: July 9, 2012  
County: Wayne 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 following Claimant's request for a hearing. After due notice, a telephone hearing was held on July 9, 2012 from Detroit, Michigan. Participants included the above named claimant. Participants on behalf of Department of Human Services (DHS) included [REDACTED], Specialist.

**ISSUE**

The issue is whether DHS properly failed to consider Claimant's eligibility as an ineligible grantee for Family Independence Program (FIP) benefits.

**FINDINGS OF FACT**

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. On 2/5/12, Claimant applied for FIP benefits.
2. Claimant was part of a household that included a non-biological child.
3. On 2/22/12, DHS denied Claimant's FIP benefit application, in part, based on excess income by Claimant.
4. On 2/28/12, Claimant requested a hearing to dispute the denial of FIP benefit eligibility.

## **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.* DHS administers the FIP pursuant to MCL 400.10, *et seq* and MAC R 400.3101-3131. DHS policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

DHS distinguishes between caretakers that are biological parents and caretakers that are not. Caretakers may be part of a FIP benefit group; if a caretaker is included as a member, the caretaker's income and assets are also factored. If the caretaker is not a mandatory group member, FIP benefits may be issued based solely on the child's eligibility; in such a case, the applying parent is referred to as an ineligible grantee.

Bridges uses the ineligible grantee payment standard when the grantee is not a member of the group. This grantee status includes grantees who are any of the following:

- SSI recipients.
- Non-parent caretakers who are not eligible for cash assistance or choose not to request cash assistance.
- Unrelated caretakers who receive FIP based solely on the presence of a child placed in the home by children's services.
- Recipients of Children's Services Independent Living Stipend.

In the present case, DHS considered Claimant's FIP benefit eligibility as an eligible grantee. DHS determined that Claimant's income exceeded the FIP income limit. It was not disputed that DHS failed to consider FIP benefit eligibility based on an ineligible grantee standard.

DHS implied that the DHS failure to consider Claimant as an ineligible grantee may have been the fault of Claimant. DHS contended that clients must choose between being an eligible or ineligible grantee. Thus, because Claimant had excess income as an eligible grantee, there was no reason to consider FIP benefit eligibility as an ineligible grantee. DHS policies clearly indicate that non-parent caretakers who are not eligible for cash assistance (in this case, due to excess income), DHS is to consider ineligible grantee status. As a non-parent caretaker to a minor child, Claimant may be eligible to receive FIP benefits as an ineligible grantee. It is found that DHS improperly failed to consider Claimant's status as an ineligible grantee.

## **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS improperly denied Claimant's application dated 2/5/12 requesting FIP benefits. It is ordered that DHS:

- (1) reinstate Claimant's FIP benefit application dated 2/5/12;

- (2) process Claimant's application subject to the finding that Claimant may be entitled to FIP benefit eligibility as an ineligible grantee;
- (3) supplement Claimant for any FIP benefits not issued as a result of the failure by DHS to consider Claimant as a potential ineligible grantee.

The actions taken by DHS are REVERSED.



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

Date Signed: July 13, 2012

Date Mailed: July 13, 2012

**NOTICE:** Michigan Administrative Hearing System (MAHS) 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. MAHS 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. (60 days for FAP cases).

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.

Claimant may request a rehearing or reconsideration for the following reasons:

- A rehearing **MAY** be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.
- A reconsideration **MAY** be granted for any of the following reasons:
  - misapplication of manual policy or law in the hearing decision,
  - typographical errors, mathematical error, or other obvious errors in the hearing decision that effect the substantial rights of the claimant:
  - the failure of the ALJ to address other relevant issues in the hearing decision.

Request must be submitted through the local DHS office or directly to MAHS by mail to:

Michigan Administrative Hearings  
Reconsideration/Rehearing Request  
P. O. Box 30639  
Lansing, Michigan 48909-07322

CG/hw

cc:

