

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

IN THE MATTER OF:



Reg. No.: 2012-50693
Issue No.: 3015, 6019
Case No.:
Hearing Date: June 5, 2012
County: Wayne 49

ADMINISTRATIVE LAW JUDGE: C. Adam Purnell

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 June 5, 2012 from Lansing, Michigan. Participants on behalf of Claimant included (Claimant's mother/Day Care Provider). Participants on behalf of Department of Human Services (Department) included (Case Worker).

ISSUES

1. Due to excess income, did the Department properly deny the Claimant's application close Claimant's case reduce Claimant's benefits for:
 - Family Independence Program (FIP)?
 - Adult Medical Assistance (AMP)?
 - Food Assistance Program (FAP)?
 - State Disability Assistance (SDA)?
 - Medical Assistance (MA)?
 - Child Development and Care (CDC)?

2. Due to excess income, did the Department properly deny the Claimant's application close Claimant's case reduce Claimant's benefits for:
 - Family Independence Program (FIP)?
 - Adult Medical Assistance (AMP)?
 - Food Assistance Program (FAP)?
 - State Disability Assistance (SDA)?
 - Medical Assistance (MA)?
 - Child Development and Care (CDC)?

FINDINGS OF FACT

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

1. Claimant applied for benefits for: received benefits for:

<input type="checkbox"/> Family Independence Program (FIP).	<input type="checkbox"/> Adult Medical Assistance (AMP).
<input checked="" type="checkbox"/> Food Assistance Program (FAP).	<input type="checkbox"/> State Disability Assistance (SDA).
<input type="checkbox"/> Medical Assistance (MA).	<input checked="" type="checkbox"/> Child Development and Care (CDC).

2. On May 20, 2012, the Department denied Claimant's application closed Claimant's CDC case reduced Claimant's benefits due to excess income.

3. On May 1, 2012, the Department denied Claimant's application closed Claimant's case reduced Claimant's FAP benefits due to excess income.

4. On April 25, 2012, the Department sent Claimant Claimant's Authorized Representative (AR) notice of the denial. CDC closure and FAP reduction.

5. On April 27, 2012, Claimant or Claimant's AHR filed a hearing request, protesting the denial of the application. closure of the CDC case and reduction of FAP benefits.

CONCLUSIONS OF LAW

Department policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT).

The Adult Medical Program (AMP) is established by 42 USC 1315, and is administered by the Department pursuant to MCL 400.10, *et seq.*

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 42 USC 601, *et seq.* The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10, *et seq.*, and 1997 AACS R 400.3101-3131. FIP replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

The Food Assistance Program (FAP) [formerly known as the Food Stamp (FS) program] is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations (CFR). The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, *et seq.*, and 1997 AACS R 400.3001-3015.

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105.

The State Disability Assistance (SDA) program, which provides financial assistance for disabled persons, is established by 2004 PA 344. The Department (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and 1998-2000 AACS R 400.3151-400.3180.

The Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, the Child Care and Development Block Grant of 1990, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The program is implemented by Title 45 of the Code of Federal Regulations, Parts 98 and 99. The Department provides services to adults and children pursuant to MCL 400.14(1) and 1997 AACS R 400.5001-5015.

Additionally, the Department properly calculated Claimant's FAP benefits after Claimant received additional child support income. The Department properly reduced Claimant's FAP due to increased income from \$424.00 to \$66.00. Based on the new income from child support, the Department recalculated Claimant's CDC case and found Claimant was excess income. The Department properly closed Claimant's CDC case due to excess income. Claimant's income exceeded the income limit under RFT 270 (\$2,367.00 for a group size of 4).

However, the Department erred when it failed to pay Claimant's CDC provider during the period of CDC eligibility. Claimant's CDC eligibility did not end until May 20, 2012. Claimant's provider should be paid for services rendered prior to May 20, 2012.

Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, the Administrative Law Judge concludes that, due to excess income, the Department properly improperly

- denied Claimant's application
- reduced Claimant's FAP benefits and
- closed Claimant's CDC case

However, the Department failed to properly pay Claimant's CDC provider for services rendered in April, 2012.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department did act properly with regard to determine Claimant's FAP and CDC eligibility but the Department did not act properly with regard to failing to pay Claimant's CDC provider for services rendered while Claimant was eligible for CDC in April, 2012.

Accordingly, the Department's FAP reduction and CDC eligibility determinations are AFFIRMED but the Department's failure to pay Claimant's CDC provider for services rendered in April, 2012 is REVERSED for the reasons stated on the record.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

Initiate prompt and proper procedures to see that Claimant's CDC provider is paid for services rendered during the time period Claimant was eligible for CDC (prior to May 20, 2012).

/s/ _____
C. Adam Purnell
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: 6/6/12

Date Mailed: 6/6/12

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.

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.

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

2012-50693/CAP

Request must be submitted through the local DHS office or directly to MAHS by mail at
Michigan Administrative Hearings
Reconsideration/Rehearing Request
P.O. Box 30639
Lansing, Michigan 48909-07322

CAP/ds

