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

IN THE MATTER OF: Reg. No: 201258389

Issue No: <u>1038</u>

Case No:

Hearing Date: July 18, 2012 Genesee County DHS #6



HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon claimant's request for a hearing. After due notice, a telephone hearing was held on July 18, 2012. The claimant appeared and provided testimony.

ISSUE

Did the department properly deny claimant's application for Family Independence Program (FIP) benefits for noncompliance with Work First/Jobs, Education and Training (WF/JET) requirements?

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 claimant submitted an application for FIP benefits on March 12, 2012.
- 2. After she applied, the claimant was sent a work participation appointment notice on April 5, 2012 scheduling the claimant to appear at WF/JET on April 16, 2012. (Department Exhibit 4).
- 3. The claimant attended WF/JET on April 11, 2012 and continued to attend WF/JET until April 26, 2012. (Department Exhibits 7-8).
- 4. The claimant's case was neither approved nor denied as of April 26, 2012.
- 5. The claimant ceased attending WF/JET after April 26, 2012.
- 6. On May 26, 2012, the department sent the claimant a notice of case action stating that her FIP application had been denied due to failure to comply with the WF/JET program. (Department Hearing Summary).

7. The claimant filed a hearing request on May 25, 2012, protesting the denial of her application for FIP benefits.

CONCLUSIONS OF LAW

Clients have the right to contest a department decision affecting eligibility for benefit levels whenever it is believed that the decision is incorrect. BAM 600. The department provides an administrative hearing to review the decision and determine its appropriateness. BAM 600.

The regulations that govern the hearing and appeal process for applicants and recipients of public assistance in Michigan are contained in the Michigan Administrative Code (Mich Admin Code) Rules 400.901 through 400.951. An opportunity for a hearing shall be granted to a recipient who is aggrieved by an agency action resulting in suspension, reduction, discontinuance, or termination of assistance. Mich Admin Code 400.903(1).

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).

Federal and State laws require each work eligible individual (WEI) in the FIP and Refugee Assistance Program (RAP) group to participate in the Jobs, Education and Training (JET) Program or other employment-related activities unless temporarily deferred or engaged in activities that meet participation requirements. These clients must participate in employment and/or self-sufficiency-related activities to increase their employability and obtain stable employment. JET is a program administered by the Michigan Department of Energy, Labor and Economic Growth (DELEG) through the Michigan Works Agencies (MWAs). The JET program serves employers and job seekers for employers to have skilled workers and job seekers to obtain jobs that provide economic self-sufficiency. A WEI who refuses, without good cause, to participate in assigned employment and/or self-sufficiency-related activities is subject to penalties. BEM 230A.

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.

Department policy states:

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 work participation program or other employment service provider.
- •• Complete a Family Automated Screening Tool (FAST), as assigned as the first step in the Family Self-Sufficiency Plan (FSSP) process.
- Develop a FSSP.
- Provide legitimate documentation of work participation.
- Appear for a scheduled appointment or meeting related to assigned activities.
- Participate in employment and/or self-sufficiency-related activities.
- Participate in required activity.
- 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 pages 1-2.

The department applies noncompliance penalties for FIP applicants whose applications are being processed. Policy states:

When assigned, clients must engage in and comply with all work participation program assignments while the FIP application is pending. Work participation program engagement is a condition of FIP eligibility. Failure by a client to participate fully in assigned activities while the FIP application is pending will result in denial of FIP benefits. Bridges automatically denies FIP benefits for noncompliance while the application is pending. BEM 229.

Policy also sets forth standards of promptness that the department is required to follow in relation to processing a claimant's application for benefits. The standard of promptness begins the date that the department receives the claimant's application, provided it contains the minimum required information. BAM 115. For FIP, the department is to certify an approval or denial of the application within 45 days of receiving the application. BAM 115.

In the case at hand, the claimant submitted her application for FIP benefits to the department on March 12, 2012. The claimant was sent a notice to attend the WF/JET program, which she began attending on April 11, 2012. The claimant stopped attending the WF/JET program after April 26, 2012, because she had not received notice from the department as to an approval or denial of her application. She also testified that her worker told her that her application had been denied. In reality, the claimant's application was still pending and was not denied until May 26, 2012, due to the claimant not attending WF/JET. Here, the department did not comply with the standards of promptness set forth in policy. The standard of promptness for FIP cases states that the application must be approved or denied within 45 days of the date of application. In this case, the application should have been approved or denied by April 26, 2012. Had the department acted within the standards of promptness, the claimant would have been in compliance with WF/JET when the application was processed. Therefore, the Administrative Law Judge determines that the department did not act in accordance with policy in denying the claimant's FIP application for failure to comply with WF/JET.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department did not act properly in accordance with policy when it denied the claimant's FIP application.

Accordingly, the department's actions are **REVERSED**.

It is HEREBY ORDERED that the department shall initiate a redetermination of the claimant's eligibility for FIP benefits as of the date of the original application (March 12, 2012) and allow the claimant to re-engage the WF/JET program. If the claimant is otherwise eligible, the department shall issue benefits in accordance with policy and, if applicable, issue any past due benefits due and owing that the claimant is otherwise eligible to receive.

<u>/s/</u>

Christopher S. Saunders Administrative Law Judge for Maura D. Corrigan, Director Department of Human Services

Date Signed: <u>August 2, 2012</u> Date Mailed: <u>August 3, 2012</u>

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.

CSS/cr



