

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

**IN THE MATTER OF:**



Reg. No: 201273841  
Issue No: 2000, 6019  
Case No: [REDACTED]  
Hearing Date: October 4, 2012  
Ottawa County DHS

**ADMINISTRATIVE LAW JUDGE:** Christopher S. Saunders

**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 October 4, 2012. Claimant personally appeared and provided testimony.

**ISSUES**

1. Whether the department properly closed the claimant's case for Medical Assistance (MA) benefits?
2. Whether the department properly closed the claimant's Child Development and Care (CDC) benefits 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. The claimant was a recipient of Child Development and Care (CDC) and Medical Assistance (MA) benefits.
2. At the end of June, 2012, the department became suspicious that the claimant's boyfriend was living with her, and therefore should be added to her case.
3. Based upon information indicating that the claimant's boyfriend was living in the home, the department added his income to the claimant's budget.
4. The resultant budget showed that the claimant was over the allowable income limit for the CDC program. (Department Exhibit 1).

5. On August 7, 2012, the department sent the claimant a notice of case action, stating that her CDC benefits were being terminated due to excess income.
6. On August 27, 2012, the claimant filed a hearing request protesting the closure of her CDC benefits.

### **CONCLUSIONS OF LAW**

As a preliminary matter, the department representative testified that she did not think that the claimant's children's MA benefits had been terminated. The claimant testified that her children's MA benefits were in fact terminated. The department representative testified that she would reinstate the MA benefits for the claimant's children as she did not know why they would have been terminated. The department representative testified that she would reinstate the MA benefits for the claimant's children back to September 1, 2012. Therefore, as there is no longer a dispute as to the claimant's children's MA benefits, the portion of this hearing pertaining to said benefits is **HEREBY DISMISSED**.

The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code, MAC R 400.901-400.951. An opportunity for a hearing shall be granted to an applicant who requests a hearing because his claim for assistance is denied. MAC R 400.903(1).

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

The Child Development and Care 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 of Human Services (DHS or Department) provides services to adults and children pursuant to MCL 400.14(1) and MAC R 400.5001-5015. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), Reference Table Manual (RFT), and the Bridges Reference Manual (BRM).

In determining eligibility for CDC benefits, the department must first determine the program group size, and then determine the countable income of said group. Regarding program group size, policy states as follows:

#### **DETERMINING THE PROGRAM GROUP**

When CDC is requested for a child, each of the following persons who **live together** must be in the program group:

- Each child for whom care is requested.

- Each child's legal and/or biological parent(s) or stepparent.
  - Each child's unmarried, under age 18, sibling(s), stepsiblings or half sibling(s).
  - The parent(s) or stepparent of any of the above sibling(s).
  - Any other unmarried child(ren) under age 18 whose parent, stepparent or legal guardian is a member of the program group.
- BEM 205, page 1, December 1, 2011.

Additionally, regarding the CDC budget, policy states as follows:

#### **DEPARTMENT POLICY**

For income eligible CDC determinations, the income of all program group members must be considered. Some types of income are excluded. See [BEM 500-504](#) for a detailed description of income types, exclusions, treatment of income including lump sums, and required verifications.

#### **Computation of Income**

Use the gross (before deductions) countable, monthly income to determine the amount the department will pay (department pay percent) towards the group's child care costs.

See [BEM 505](#) for details on when a budget is needed, income and benefit month definitions, and the conversion of income to a monthly figure. BEM 525, page 1, January 1, 2011.

In the case at hand, the department used the claimant's income to determine the eligibility of two of her children and the income of herself and her alleged live in boyfriend to determine the eligibility for her other child. The claimant's boyfriend was properly excluded from the income eligibility determination regarding her two children as he is not the biological father or legal guardian. Regarding those two children, the department determined that the claimant's countable income was \$ [REDACTED]. The income limit for a group size of four (the claimant and her three children) is \$ [REDACTED] (see RFT 270). Accordingly, the department properly determined that the claimant had excess income to be eligible for CDC benefits for those two children.

Regarding the child the claimant has with her boyfriend, the claimant asserts that her boyfriend was not living with her and accordingly his income should not have been included in her budget. The claimant testified that her boyfriend was back and forth between his mother's home and hers, and that he was not living with her full-time. At the hearing, the department produced the testimony of [REDACTED] [REDACTED] from the Michigan Department of Corrections. [REDACTED] [REDACTED] testified that the claimant's boyfriend is a probationer on his caseload and that he lists the claimant's address as his home address. Additionally, there was testimony offered that the claimant's boyfriend was present at her home on two separate occasions when the department was attempting to contact the claimant. This Administrative Law Judge does not find the claimant's

testimony that her boyfriend was not living with her to be credible. Furthermore, this Administrative Law Judge finds that the evidence supports the conclusion that the claimant's boyfriend was living with her and therefore, his income should have been included in her CDC budget. Because his income should have been included, the department properly determined that the claimant's countable income for the program group regarding her other child was \$ [REDACTED]. The income limit for a group size of 5 (the claimant, her three children, and her boyfriend) in \$ [REDACTED] (see RFT 270). Accordingly, the department properly determined that the claimant was over the allowable income limit for CDC benefits.

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that that the department properly terminated the claimant's CDC benefits.

Accordingly, the department's actions are **AFFIRMED**. It is SO ORDERED.

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

Date Signed: November 1, 2012

Date Mailed: November 2, 2012

**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 60 days of the filing of the original request.

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.

CSS/cr

cc:

