

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

IN THE MATTER OF:



Reg. No: 201257114
Issue No: 1038
Case No: [REDACTED]
Hearing Date: July 12, 2012
Kent County DHS

ADMINISTRATIVE LAW JUDGE: Kevin Scully

HEARING DECISION

This matter is before the undersigned Administrative Law Judge by authority of MCL 400.9 and MCL 400.37. Claimant's request for a hearing was received on May 29, 2012. After due notice, a telephone hearing was held on July 12, 2012.

ISSUE

Whether the Department of Human Services (Department) properly sanctioned the Claimant's Family Independence Program (FIP) case for noncompliance with the Jobs, Education, and Training (JET) program?

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 an ongoing Family Independence Program (FIP) recipient until June 1, 2012.
2. On December 17, 2011, the Department notified the Claimant that it would terminate her Child Development and Care (CDC) benefits as of January 1, 2012.
3. On December 22, 2012, the Department notified the Claimant that it had approved her for Child Development and Care (CDC) benefits as of January 1, 2012.
4. The Department referred the Claimant to the Jobs, Education, and Training (JET) program as a condition of receiving FIP benefits.
5. The Claimant was noncompliant with the JET program when she voluntarily quit her employment as of December 26, 2011.
6. The Department conducted a triage meeting on May 16, 2012.

7. On May 16, 2012, the Department notified the Claimant that it would sanction her FIP benefits as of June 1, 2012.
8. The Department received the Claimant's request for a hearing on May 29, 2012, protesting the sanctioning of her 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 Dependent Children (ADC) program effective October 1, 1996. 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).

Department policy states that clients must be made aware that public assistance is limited to 48 months to meet their family's needs and that they must take personal responsibility to achieve self-sufficiency. This message, along with information on ways to achieve independence, direct support services, non-compliance penalties, and good cause reasons, is initially shared by DHS when the client applies for cash assistance. Jobs, Education and Training (JET) program requirements, education and training opportunities, and assessments will be covered by the JET case manager when a mandatory JET participant is referred at application. BEM 229.

Federal and State laws require each work eligible individual (WEI) in the FIP and 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 Labor and Economic Growth (DLEG) 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 of applicants, recipients, or member adds means doing any of the following without good cause:

- Failing or refusing to:
 - Appear and participate with the Jobs, Education and Training (JET) Program or other employment service provider.

- Complete a Family Automated Screening Tool (FAST), as assigned as the first step in the FSSP process.
- Develop a Family Self-Sufficiency Plan (FSSP) or a Personal Responsibility Plan and Family Contract (PRPFC).
- Comply with activities assigned to on the Family Self-Sufficiency Plan (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.
- 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.

The Department is required to send a DHS-2444, Notice of Employment and/or Self-Sufficiency Related Noncompliance within three days after learning of the noncompliance which must include the date of noncompliance, the reason the client was determined to be noncompliant, the penalty that will be imposed and the triage date within the negative action period. BEM 233A.

Good cause is a valid reason for noncompliance with employment and/or self-sufficiency-related activities that are based on factors that are beyond the control of the noncompliant person. A claim of good cause must be verified and documented for member adds and recipients. If it is determined at triage that the client has good cause,

and good cause issues have been resolved, the client should be sent back to JET. BEM 233A.

Good cause should be determined based on the best information available during the triage and prior to the negative action date. Good cause may be verified by information already on file with DHS or MWA. Good cause must be considered even if the client does not attend, with particular attention to possible disabilities (including disabilities that have not been diagnosed or identified by the client) and unmet needs for accommodation. BEM 233A.

The penalty for noncompliance without good cause is FIP closure. Effective April 1, 2007, the following minimum penalties apply:

- For the first occurrence on the FIP case, close the FIP for not less than 3 calendar months unless the client is excused from the noncompliance as noted in “First Case Noncompliance Without Loss of Benefits” below.
- For the second occurrence on the FIP case, close the FIP for not less than 3 calendar months.
- For the third and subsequent occurrence on the FIP case, close the FIP for not less than 12 calendar months.
- The penalty counter also begins April 1, 2007 regardless of the previous number of noncompliance penalties. BEM, Item 233A.

Noncompliance, without good cause, with employment requirements for FIP/RAP(SEE BEM 233A) may affect FAP if both programs were active on the date of the FIP noncompliance. BEM 233B. The FAP group member should be disqualified for noncompliance when all the following exist:

- The client was active both FIP and FAP on the date of the FIP noncompliance, and
- The client did not comply with FIP/RAP employment requirements, and
- The client is subject to a penalty on the FIP/RAP program, and
- The client is not deferred from FAP work requirements, and
- The client did not have good cause for the noncompliance. BEM 233B.

The Department should budget the Last FIP grant amount on the FAP budget for the number of months that corresponds with the FIP penalty (either three months for the first two noncompliances or 12 months for the third and subsequent noncompliances) after the FIP case closes for employment and/or self sufficiency-related noncompliance. The Last FIP grant amount is the grant amount the client received immediately before the FIP case closed.

The Claimant was an ongoing Family Independence Program (FIP) recipient until June 1, 2012, and the Department had referred her to the JET program as a condition of receiving FIP benefits. The Claimant was noncompliant with the JET program when she voluntarily quit her employment as of December 26, 2011. The Department conducted a triage meeting on May 16, 2012, where the Claimant was given the opportunity to establish good cause for noncompliance with the JET program. The Claimant attended the triage meeting, but the Department did not find good cause. On May 16, 2012, the Department notified the Claimant that it would terminate her FIP benefits as of June 1, 2012.

On December 27, 2011, the Department had sent the Claimant notice that it intended to terminate her Child Development and Care (CDC) benefits as of January 1, 2012. On December 22, 2012, the Department sent the Claimant notice that it had approved her for CDC benefits as of January 1, 2012.

The Claimant did not dispute that she voluntarily quit her employment as of December 26, 2012. The Claimant testified that she quit her employment due to a lack of suitable child care options available to her. The Claimant testified that after her CDC benefits were restored some time after December 22, 2012, she attempted to retrieve her old job, but was informed by her former employer that it was no longer available since the company would be down sizing after the holidays.

The Claimant argued that the Department should have granted her good cause for lack of suitable child care because the loss of her child care was beyond her control.

The Department's representative testified that JET participants are required to have backup child care in place.

In this case, the Claimant's loss of child care was not due to a temporary unavailability of her child care provider, but that the closure of her CDC benefits made child care unaffordable for the foreseeable future. Back up child care would not have changed the Claimant's circumstances because any alternate child care provider would have also been unaffordable.

The Department's representative testified that the notice of CDC closure was sent in error. Although CDC benefits would later be restored, the Claimant had already been forced to make a choice between paying for child care she could not afford, or terminating her employment. The Claimant chose to terminate her employment.

It should be noted that the Claimant terminated her employment in December of 2011, and the triage meeting was held on May 16, 2012. This Administrative Law Judge finds

that the length of time between the noncompliance and the triage meeting placed the Claimant at a disadvantage when attempting to establish good cause.

Based on the evidence and testimony available during the hearing, this Administrative Law Judge finds that the Claimant did establish good cause for her noncompliance. The Claimant terminated her employment due to a lack of child care, which had been made unaffordable as a result of the loss of her CDC benefits. At the time she quit her job, the loss of CDC benefits and suitable child care was beyond the control of the Claimant. Therefore, the Department's sanction on the Claimant's FIP benefits is reversed.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Claimant established good cause for her noncompliance with the Jobs, Education, and Training (JET) program.

Accordingly, the Department's Family Independence Program (FIP) sanction is **REVERSED**. It is further ORDERED that the Department shall:

1. Delete the Family Independence Program (FIP) sanction from the Claimant's benefit case file.
2. Initiate a determination of the Claimant's eligibility for Family Independence Program (FIP) benefits as of June 1, 2012.
3. Provide the Claimant with written notification of the Department's revised eligibility determination.
4. Issue the Claimant any retroactive benefits she may be eligible to receive, if any.

/s/
Kevin Scully
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: July 16, 2012

Date Mailed: July 16, 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.

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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.

KS/tb

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