

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201263355
Issue No.: 1021
Case No.: [REDACTED]
Hearing Date: August 16, 2012
County: Wayne (41)

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

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 August 17, 2012, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of Department of Human Services (Department) included [REDACTED], JET Specialist, and [REDACTED], Case Manager for the JET Program.

ISSUE

Did the Department properly deny Claimant's application close Claimant's case for:

- | | |
|--|---|
| <input checked="" type="checkbox"/> Family Independence Program (FIP)? | <input type="checkbox"/> Adult Medical Assistance (AMP)? |
| <input type="checkbox"/> Food Assistance Program (FAP)? | <input type="checkbox"/> State Disability Assistance (SDA)? |
| <input type="checkbox"/> Medical Assistance (MA)? | <input type="checkbox"/> Child Development and Care (CDC)? |
| <input type="checkbox"/> Direct Support Services (DSS)? | |

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 received benefits for:

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

2. On July 5, 2012, the Department
 denied Claimant's application closed Claimant's case
due to employment-related noncompliance.
3. On July 5, 2012, the Department sent
 Claimant Claimant's Authorized Representative (AR)
notice of the denial. closure.
4. On July 10, 2012, Claimant filed a hearing request, protesting the
 denial of the application. closure of the case.

CONCLUSIONS OF LAW

Department policies are contained in the Department of Human Services, Bridges Administrative Manual (BAM) (2012), the Bridges Eligibility Manual (BEM) (2011), and the Reference Tables Manual (RFT) (2012).

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 1999 AC, R 400.3101 through Rule 400.3131. 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 1999 AC, R 400.3001 through Rule 400.3015.

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 of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105.

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 State Disability Assistance (SDA) program, which provides financial assistance for disabled persons, is established by 2004 PA 344. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and 2000 AACS, R 400.3151 through Rule 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 1999 AC, R 400.5001 through Rule 400.5015.

Direct Support Services (DSS) is administered by the Department pursuant to MCL 400.57a, et. seq., and Mich Admin Code R 400.3603.

Additionally, pursuant to the Department's legal settlement suspending the federal 60 month limit for FIP benefits, Claimant filed a FIP application TC-60 on May 29, 2012, which, pursuant to the settlement, was retroactively dated February 29, 2012. The Department denied the application on July 5, 2012, on the basis that "[f]or at least the third time, you or a group member failed to participate in employment and/or self-sufficiency related activities The group is no longer eligible for FIP benefits."

At the hearing, the Department testified that Claimant had not been referred to the JET program following the filing of her application, and the JET case manager testified that Claimant had last been assigned to the JET program in August 2011. Therefore, the reasoning in the Notice of Case Action that Claimant's application was denied because she was in noncompliance with employment-related activities was erroneous.

The Department explained that Claimant's application was denied because she had been sanctioned on three separate occasions for noncompliance with FIP-required employment-related activities and was therefore subject to a lifetime sanction from receiving FIP benefits. The Department presented no evidence to support its conclusion that Claimant had been subject to three FIP closures based on noncompliance with employment-related activities other than its testimony that its system indicated that three sanctions had been applied to Claimant's case. The eligibility summary presented by the Department into evidence showed that Claimant received FIP benefits between August 1, 2009 and May 31, 2010 and that the case closed on June 1, 2010, but does not explain the reason the case closed at that time. While the case notes from Claimant's participation in the JET program show a variety of compliance issues, they do not establish that the Department closed Claimant's FIP case for JET-related noncompliance.

The Department testified that Claimant received FIP benefits between June 1, 2011 and August 31, 2011, under a different case number than the one shown on the eligibility summary provided, and this case closed because of an employment-related sanction. The JET case manager on Claimant's case testified that a triage had been held on July 19, 2011, and Claimant had failed to show that she had good cause for her noncompliance. While this evidence could support the Department's position that the August 31, 2011, case closure was due to an employment-related noncompliance sanction, this evidence would support a finding of only a single sanction. At the time of

that sanction, the penalty imposed for a first sanction was a minimum three-month case closure. BEM 233A (January 1, 2011), p 6. Therefore, Claimant would have been eligible to reapply for FIP benefits in December 2011, and would not have been ineligible for FIP benefits when her February 29, 2012, application was filed and processed. Thus, the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it denied Claimant's FIP application.

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 the Department

properly denied Claimant's application improperly denied Claimant's application
 properly closed Claimant's case improperly closed Claimant's case

for: AMP FIP FAP MA SDA CDC DSS.

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. did not act properly.

Accordingly, the Department's AMP FIP FAP MA SDA CDC DSS decision is AFFIRMED 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:

1. Reregister Claimant's FIP application retro-dated to February 29, 2012;
2. Reprocess the application in accordance with Department policy and consistent with this Hearing Decision;
3. Issue supplements to Claimant for any FIP benefits she was eligible to receive but did not from February 29, 2012, ongoing; and
4. Notify Claimant in writing of its decision in accordance with Department policy.



Alice C. Elkin
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: August 23, 2012

Date Mailed: August 23, 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 at
Michigan Administrative hearings
Reconsideration/Rehearing Request
P. O. Box 30639
Lansing, Michigan 48909-07322

ACE/hw

cc:

