

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2012-72843  
Issue No.: 6019  
Case No.: [REDACTED]  
Hearing Date: February 19, 2013  
County: Macomb-12 County DHS

**ADMINISTRATIVE LAW JUDGE:** Corey A. Arendt

**HEARING DECISION**

This matter is before me 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 February 19, 2013 from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED] [REDACTED] Participant s on behalf of Department of Human Services (Department) included [REDACTED] [REDACTED]

**ISSUE**

Due to excess income, did the Department properly close the Claimant's Child Development and Care (CDC) case?

**FINDINGS OF FACT**

I find as material fact, based on the competent, material, and substantial evidence on the whole record:

1. As of May 18, 2012, the Claimant received CDC benefits.
2. On May 19, 2012, the Department closed the Claimant's CDC case due to excess income.
3. On June 19, 2012, the Department sent the Claimant a CDC notice of authorization indicating her CDC benefits closed May 19, 2012.
4. On June 28, 2012, the Claimant requested a hearing to protest the May 19, 2012 CDC closure.
5. On July 26, 2012, the Department sent the Claimant a notice of case action. The notice indicated the Claimant's CDC benefits were closing July 15, 2012.

6. On August 7, 2012, the Claimant and the Department participated in a hearing to resolve the May 19, 2012 CDC closure.
7. On August 10, 2012, Administrative Law Judge Carmen Fahie issued a decision and order, ordering the Department to initiate a redetermination as to the Claimant's eligibility for CDC benefits.
8. On August 20, 2012, the Department determined the Claimant was ineligible for CDC benefits due to excess income based upon a check from June 15, 2012 and child support income (Department Exhibit A, p. 1).
9. On August 16, 2012, the Claimant requested a hearing in protest of the Department's CDC calculations.

### **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 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 400.50 01 through Rule 400.5015.

The Department determines a Client's eligibility for program benefits based on the Client's actual income and/or prospective income. Actual income is income that was already received. Prospective income is income not yet received but expected. Prospective budgeting is the best estimate of the Client's future income. All income is converted to a standard monthly amount. If the Client is paid weekly, the Department multiplies the average weekly amount by 4.3. If the Client is paid every other week, the Department multiplies the average bi-weekly amount by 2.15. BEM 505.

After an extensive review of the documentation and testimony provided by the Department, I have come to the conclusion that the Department's actions were not in conformity with the applicable laws and policies. Although the testimony provided by the Department indicated the income for June could have exceeded the program limits for the program, there was zero evidence the information stated during the hearing was the same information used in the budget calculation. As evidence of this point, the sentence on the August 20, 2012 notice of case action states a check date of June 15, 2012. It does not indicate any of the other dates the Department witness testified too. So therefore, I was unable to determine what actual calculations were made as the document and the testimonies provided were contradictory. In addition, the actual budget itself was not part of the record.

Additionally, there was zero evidence related to the budget information used for the latter part of May 2012.

Accordingly, I find evidence to **REVERSE** the Department's actions in this matter.

**DECISION AND ORDER**

I find the Department did not act properly, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record.

Accordingly, the Department's CDC decision is **REVERSED**.

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

1. Initiate a redetermination as to the Claimant's eligibility for CDC benefits beginning May 19, 2012 and issue retroactive benefits if otherwise qualified and eligible.

/s/  
Corey A. Arendt  
Administrative Law Judge  
For Maura Corrigan, Director  
Department of Human Services

Date Signed: February 20, 2013

Date Mailed: February 20, 2013

**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

Re consideration/Rehearing Request

P. O. Box 30639

Lansing, Michigan 48909-07322

CAA/las

cc:

