

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

IN THE MATTER OF:



Reg. No.: 201275780
Issue No.: 6019
Case No.: [REDACTED]
Hearing Date: March 21, 2013
County: Oakland (#02)

ADMINISTRATIVE LAW JUDGE: MICHELLE HOWIE

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 conducted from Detroit, Michigan on Thursday March 21, 2013. The Claimant appeared and testified. Participant on behalf of Department of Human Services (Department) was [REDACTED] (Eligibility Specialist).

ISSUE

Whether the Department properly terminated Claimant's Child Development Care (CDC) benefits due to excess income?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. The Claimant was an ongoing CDC recipient with a group size of 2.
2. On July 2, 2012, the Department sent a redetermination packet requesting verification of employment income for 30 days, to be returned by August 20, 2012.
3. Claimant receives \$2074.86 /monthly in employment income. (Exhibit 1 & 3).
4. The Department closed Claimant's CDC benefits based on her reported income (Exhibit 4)
5. On August 31, 2013, the Department received Claimant's written hearing request disputing the closure of CDC benefits.

CONCLUSIONS OF LAW

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

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 1997 AACS R 400.5001-5015.

The CDC program may provide a subsidy for child care services for qualifying families when the parent(s)/substitute parent(s) is unavailable to provide the child care because of employment, participation in an approved activity and/or because of a condition for which treatment is being received and care is provided by an eligible provider. The Department periodically re-evaluates cases to ensure that eligibility for program benefits continues. A redetermination is a periodic review. The Department sends an application form and a verification checklist requesting that required verifications be returned by a specified date. All countable earned and unearned income available must be considered in determining the Claimant's continuing eligibility for program benefits. There are four eligibility groups for CDC benefits and one is income-eligible. Eligibility for this group is based on program group size and non-excluded income received by any member of the program group. BEM 703 (July 2012), p. 12. The Department is required to test the groups countable income against the CDC income eligibility scale to determine income eligibility for the program based on group size. BEM 703, p. 13. The gross monthly income limit for a group size of 2 is \$1607.00 for CDC eligibility. RFT 270 (October 2011).

In this case, Claimant submitted four paystubs for the period in question, that were used to compute her gross monthly income. Claimant verified that the paystub amounts considered by the Department were accurate. Claimant testified that she was temporarily working additional hours during the period in question. Therefore, the income used by the Department does not represent her regular monthly income because it fluctuates. A review of the CDC income eligibility test shows Claimant had total countable monthly income of \$2,704. As a result she failed the income test because her income exceeded the income limit for the CDC program at the time of redetermination.

Accordingly, the Department established that it acted in accordance with policy when it closed Claimant's CDC case due to excess income. Claimant may reapply for benefits at anytime, if there are subsequent changes in her income.

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 acted in accordance with policy when it closed Claimant's CDC case due to excessive income effective September 2012.

Accordingly, the Department's CDC decision is hereby, **AFFIRMED**.

M. Howie

MICHELLE HOWIE
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: 3/28/2013

Date Mailed: 3/28/2013

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.

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.

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

MH/hw

cc:

