

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 201313943  
Issue No.: 6019  
Case No.: [REDACTED]  
Hearing Date: January 9, 2013  
County: Mecosta

**ADMINISTRATIVE LAW JUDGE:** Kevin Scully

**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 January 9, 2013 from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of Department of Human Services (Department) included [REDACTED].

**ISSUE**

Whether the Department of Human Services (Department) properly determined that the Claimant is not eligible for Child Development and Care (CDC) benefits because her income exceeds the income limit for this 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 applied for Child Development and Care (CDC) benefits as a group of three on September 21, 2012.
2. The Claimant received earned income in the gross amounts of \$ [REDACTED] on September 21, 2012, \$ [REDACTED] on September 28, 2012, and \$ [REDACTED] on October 5, 2012.
3. The Claimant receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$ [REDACTED] for herself, her son, and her daughter, for a total monthly unearned income in the gross monthly amount of \$ [REDACTED].

4. The income limit to receive Child Development and Care (CDC) benefits as a group of three is \$ [REDACTED] Department of Human Services Reference Table Manual (RFT) 270.
5. On October 31, 2012, the Department notified the Claimant that it had denied her application for Child Development and Care (CDC) benefits because her countable income exceeds the income limit.
6. The Department received the Claimant's request for a hearing on November 13, 2012, protesting the denial of her Child Development and Care (CDC) application.

### **CONCLUSIONS OF LAW**

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).

All earned and unearned income available to the Claimant is countable. Earned income means income received from another person or organization or from self-employment for duties for duties that were performed for compensation or profit. Unearned income means all income that is not earned, including but not limited to funds received from the Family Independence Program (FIP), State Disability Assistance (SDA), Child Development and Care (CDC), Medicaid (MA), Social Security Benefits (RSDI/SSI), Veterans Administration (VA), Unemployment Compensation Benefits (UCB), Adult Medical Program (AMA), alimony, and child support payments. The amount counted may be more than the client actually receives because the gross amount is used prior to any deductions. BEM 500.

In this case, the Claimant applied for Child Development and Care (CDC) benefits as a group of three on September 21, 2012. The Claimant received earned income in the gross amounts of \$ [REDACTED] on September 21, 2012, \$ [REDACTED] on September 28, 2012, and \$ [REDACTED] on October 5, 2012. The Claimant receives monthly Retirement, Survivors, and Disability Insurance (RSDI) for herself and her two children in the gross monthly amount of \$ [REDACTED]. The income limit to receive Child Development and Care (CDC) benefits as a group of three is \$ [REDACTED] Department of Human Services Reference Table Manual (RFT) 270. On October 31, 2012, the Department notified the Claimant that it had denied her application for Child Development and Care (CDC) benefits because her countable income exceeds the income limit.

During the hearing, the Department's representative was unable to establish that it properly determined the Claimant's monthly-earned income. The Claimant did not dispute that she receives Retirement, Survivors, and Disability Insurance (RSDI) benefits for three members of her household in the gross monthly amount of \$ [REDACTED]. Based on the Retirement, Survivors, and Disability Insurance (RSDI) income, the Claimant's earned income would have to be less than \$ [REDACTED] per month to be eligible to receive any Child Development and Care (CDC) benefits. The Claimant submitted three paycheck stubs to the Department, and each of the paychecks was for more than \$ [REDACTED].

While the Department has the burden of establishing that it properly applied its policies to the Claimant's circumstances, the Claimant has the burden of establishing that she is eligible to receive benefits.

Based on the evidence and testimony available during the hearing, this Administrative Law Judge finds that the Department properly denied the Claimant's application for Child Development and Care (CDC) benefits based on her monthly countable income. The Department's failure to reproduce its monthly earned income determination during the hearing is harmless error, and the evidence supports a finding that the Claimant was not eligible for the Child Development and Care (CDC) program when she submitted her application.

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department properly denied the Claimant's application for Child Development and Care (CDC) benefits based on her income.

The Department's Child Development and Care (CDC) eligibility determination is **AFFIRMED**. It is SO ORDERED.

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

Date Signed: January 15, 2013

Date Mailed: January 15, 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  
Reconsideration/Rehearing Request  
P. O. Box 30639  
Lansing, Michigan 48909-07322

KS/tb

cc:

