IN THE MATTER OF:

Reg. No.:	2013-23308
Issue No.:	1021
Case No.:	██████
Hearing Date:	April 25, 2013
County:	Wayne (82-76)

ADMINISTRATIVE LAW JUDGE: Zainab Baydoun

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, April 25, 2013. Claimant appeared and testified. Participating on behalf of the Department of Human Services (Department) was ███████████████████████████████.

ISSUE

Did the Department properly close Claimant's Family Independence Program (FIP) case?

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 was an ongoing recipient of Extended Family Independence Program (EFIP) benefits.

2. In November 2012, Claimant reported to the Department that she was no longer employed.

3. Claimant's EFIP case closed effective December 1, 2012.

4. On December 28, 2012, the Department received Claimant's request for a hearing disputing the closure of her FIP case.

CONCLUSIONS OF LAW

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

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 Mich Admin Code, R 400.3101 through R 400.3131. FIP replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

Additionally, Claimant requested a hearing to dispute the closure of her FIP case effective December 1, 2012. Claimant reapplied for FIP benefits on December 28, 2012, and was approved effective January 16, 2013. It was determined that the sole issue in this case was the lapse in Claimant's FIP benefits from December 1, 2012, to January 16, 2013.

EFIP is offered to families to help in the transition to self-sufficiency. These families must have successfully obtained employment and have income that exceeds the FIP eligibility limit. BEM 519 (January 2013), p. 1. Families receive EFIP for up to six months, with a grant of $10.00 per month, when loss of FIP eligibility relates to income from employment of a FIP program group member. Each month an individual receives EFIP counts towards the individual's FIP time limit. See BEM 234, FIP Time Limits. BEM 519. p. 1. EFIP is certified in Bridges for six months from the month of excess income for FIP eligibility. Bridges does not send redetermination materials to the EFIP group at the end of the EFIP certification period. BEM 519, p. 3.

In this case, Claimant was an ongoing recipient of FIP benefits. Claimant obtained employment and became eligible to receive EFIP benefits in the amount of $10.00 per month. At the hearing, the Department testified that Claimant's EFIP case closed effective December 1, 2012, because she had reached the six-month time limit under BEM 519, p. 1. A review of the eligibility summary provided establishes that Claimant had not received EFIP for six months prior to the closure of her EFIP case effective December 1, 2012. Exhibit 6. According to the eligibility summary, Claimant received $10.00 per month in EFIP benefits for the period August 1, 2012, through November 30, 2012. Exhibit 6. Therefore, the Department did not act in accordance with Department policy when it closed Claimant's FIP case because she had reached the six-month time limit.

Additionally, the Department testified that on November 2, 2012, Claimant reported that she had lost employment and was no longer working or earning income. The Department further stated that the lost income was not certified until December 10, 2012, after the FIP case had already closed. EFIP eligibility continues until the end of the six-month EFIP period unless the group regains regular FIP eligibility. BEM 519, p. 2. Recipients of EFIP are not required to report changes; however, any changes known

to the Department that could affect EFIP eligibility must be acted upon. When income decreases are known and result in regained FIP eligibility, the Department is to request verification of decreased income. BEM 519, p. 2. After verification is received, the Department is to complete the data collection to include changes in the group's income. BEM 519, p. 2.

In this case, Claimant reported to the Department that she was no longer employed and subsequently provided the Department with verification of her last paycheck. The Department should have processed and acted upon that received information, as Claimant had regained eligibility for regular FIP. Instead, the Department closed Claimant's FIP case effective December 1, 2012, causing her to not receive FIP benefits from December 1, 2012, to January 16, 2013, when her December 28, 2012, application for FIP benefits was approved. Therefore, the Department did not act in accordance with Department policy when it failed to timely process Claimant's lost income and her regained eligibility for FIP benefits. Accordingly, the decision of the Department is REVERSED.

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 not act in accordance with Department policy when it closed Claimant's FIP case based on her reaching the six-month limit for EFIP benefits. Accordingly, the Department's FIP 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 reinstatement of Claimant's FIP case effective December 1, 2012, to January 16, 2013, in accordance with Department policy;

2. Begin recalculating the FIP budget from December 1, 2012, to January 16, 2013, taking into account Claimant's lost employment in accordance with Department policy and consistent with this Hearing Decision;

3. Begin issuing supplements to Claimant for any FIP benefits that she was entitled to receive but did not from December 1, 2012 to January 16, 2013; and

4. Notify Claimant of its decision in writing in accordance with Department policy.

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Zainab Baydoun
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: May 14, 2013

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Date Mailed: May 15, 2013

<u>NOTICE</u>: 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 **<u>MAY</u>** be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.
- A reconsideration **<u>MAY</u>** 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

ZB/pf

cc: