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

#### IN THE MATTER OF:



Reg. No.: 201332492

Issue No.: 1021

Case No.: Hearing Date:

April 4, 2013

County: Wayne County (#57)

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 upon the Claimant's request for a hearing received by the Department of Human Services (Department) on February 15, 2013. After due notice, a telephone hearing was conducted from Detroit, Michigan on Thursday April 4, 2013. The Claimant appeared and testified. Participant on behalf of the Department was (Family Independence Manager).

# <u>ISSUE</u>

Whether the Department properly determined that the Claimant has exceeded the Federal lifetime limit on Family Independence Program (FIP) benefits?

## **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 FIP recipient.
- The Department determined that the Claimant accumulated 105 months toward the lifetime maximum limit on the receipt of federally-funded FIP assistance. (Exhibit 2)
- 3. On February 10, 2013, the Department sent the Claimant Notice of Case Action notifying her that her FIP benefits would close effective March 1, 2013, due to exceeding the 60 month lifetime limit on federally -funded FIP assistance.

5. On February 26, 2013, the Department received the Claimant's written request for hearing, disputing the Department's action.

# **CONCLUSIONS OF LAW**

The Department of Human Service (DHS) policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT). Clients have the right to contest a Department decision affecting eligibility for benefit levels whenever it is believed that the decision is incorrect. The Department Bridges Administrative Manual (BAM) 600 (February 1, 2013). The Department will provide an administrative hearing to review the decision and determine the appropriateness of that decision. BAM 600. The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code (Mich Admin Code), R 400.901-400.951.

The Family Independence Program (FIP) is temporary cash assistance to support a family's movement to self sufficiency. It 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.

The FIP benefit program is not an entitlement. BEM 234 (January 1, 2013). Time limits are essential to establishing the temporary nature of aid as well as communicating the FIP philosophy to support a family's movement to self-sufficiency. BEM 234. Michigan operates the FIP Program by using both federal and state funds. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) established a five-year (60-month) lifetime limit on assistance for adult-headed families. The begin date for the federal time limit counter is October 1, 1996. Each month an individual receives FIP, regardless of the funding source (federal or state), the individual receives a count of one month. A family is no longer eligible for FIP when a mandatory group member in the program group received 60 months or more of federally funded FIP assistance. Notwithstanding, the FIP time-limit is 48 months for the receipt of state funded benefits. Once an individual reaches a FIP time-limit whether state or federal the FIP closes, the individual is not eligible for FIP if the individual reapplies and meets an exemption criteria based on the funding source. BEM 234.

Effective January 9, 2013, the federal 60 month time-limit policy does not apply to individuals who were deferred from the Work Participation Program for either of the following: (i) domestic violence; (ii) being 65 years of age or older; (iii) a verified disability of long-term incapacity lasting longer than 90 days; or (iv) provides care for a spouse or child with verified disabilities living in the home. BEM 234. The benefits received will be stated funded until the 48 month state time-limit maximum is reached. BEM 234.

In this case, the Department performed a mass update as the result of the outcome of a lawsuit involving the federal and state time-limit laws for FIP assistance. The courts upheld the laws finding them not to be unconstitutional. The Department pended the Claimant's and other clients FIP cases for closure effective March 1, 2013, due to allegedly exceeding the 60 month time limit for federally funded FIP benefits. Claimant testified that she disagreed with the Department's action because there is a discrepancy between the federal and state funded months counted against her. She believes that she still qualified for state funded benefits at the time of closure. This is not an unusual occurrence for the monthly counts to differ for the two funding sources for various reasons as discussed above. Once an individual reaches the federal 60 month limit they may continue to receive state funded benefits, if the individual is deferred from the Work Participation Program for one of the deferral reasons stated above. However, if the individual no longer qualifies for either of the employment deferral reasons, the state funded benefits will close due to exceeding the federal time limit. Here, the Claimant did not assert that she was entitled to any additional exemption months due to being deferred from the Work Participation Program at the time of closure, nor did she dispute receiving FIP benefits for the months counted.

Based on the evidence on record, the Department presented sufficient credible testimony and documentary evidence to establishing that the Claimant received at least 60 months of federally funded assistance. In addition, there was nothing in the record to indicate that the Claimant met any of the criteria for an exception to the federal time-limit as of January 9, 2013. Therefore, the Department's decision is upheld.

## **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 established it acted in accordance with policy when it closed Claimant's FIP benefits, effective March 1, 2013, for reaching the 60 month lifetime limit for federal funded FIP assistance.

Accordingly, the Department's FIP eligibility determination is hereby, **AFFIRMED**.

MICHELLE HOWIE

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

M. House

Date Signed: 4/10/2013

Date Mailed: 4/10/2013

**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 <u>MAY</u> 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

