

**STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES**

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 201321294  
Issue No.: 3002, 6019  
Case No.: [REDACTED]  
Hearing Date: March 5, 2013  
County: Eaton

**ADMINISTRATIVE LAW JUDGE:** Gary F. Heisler

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; and MCL 400.37 upon claimant's request for a hearing. After due notice, a hearing was held on March 5, 2013. Claimant appeared and testified.

**ISSUE**

Did the Department of Human Services determine the proper amount of Claimant's Food Assistance Program (FAP) benefits on December 20, 2012?

Did the Department of Human Services properly stop Claimant's Child Development and Care (CDC) benefits?

**FINDINGS OF FACT**

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

- (1) Claimant was an ongoing recipient of Food Assistance Program (FAP) and Child Development and Care (CDC) benefits.
- (2) On November 7, 2012, Claimant reported a change of employment.
- (3) On December 20, 2012, all the required earned income verifications had been received by the Department. New financial eligibility budgets were run for Food Assistance Program (FAP) and Child Development and Care (CDC) eligibility. The Department determined that Claimant was eligible for \$ [REDACTED] per month of Food Assistance Program (FAP) and was not eligible for Child Development and Care (CDC) due to excess income.

Claimant was sent a Notice of Case Action (DHS-1605) which stated her Child Development and Care (CDC) was closed from January 27, 2013 – Ongoing and that she was eligible for \$ [REDACTED] of Food Assistance Program (FAP) benefits. Claimant was also sent a Child Development and Care Client Certificate/Notice of Authorization (DHS-198-C) which stated her CDC end date was December 1, 2012.

- (4) On January 2, 2013, Claimant submitted a request for hearing.

### **CONCLUSIONS OF LAW**

The Food Assistance Program (FAP) (formerly known as the Food Stamp (FS) program) is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations (CFR). The Department of Human Services (DHS or department) administers the FAP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3001-3015. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

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 contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

During the hearing Claimant's income and expenses were verified. The Food Assistance Program (FAP) financial eligibility budget was reviewed and found to be correct. The budget was explained to Claimant and she was informed that the Department's December 12, 2012 determination of her Food Assistance Program (FAP) eligibility is upheld.

During the hearing the Child Development and Care (CDC) financial eligibility budget was also reviewed and found to be correct. The budget was explained to Claimant and she was informed that the Department's December 12, 2012 determination of her Child Development and Care (CDC) eligibility is upheld.

There is one other issue which Claimant raised, whether it was proper to stop her Child Development and Care (CDC) benefits beginning December 1, 2012? Department policy provides the following guidance for case workers. The Department's policies are available on the internet through the Department's website.

**BAM 220 CASE ACTIONS  
DEPARTMENT  
POLICY All Programs**

Process the following case actions:

- Initial applications and reapplications (BAM 115).
- Redeterminations (BAM 210).
- Reinstatements (BAM 205).

Bridges will evaluate each change reported and entered in the system to determine if it affects eligibility.

Changes in circumstances may be reported by the client, via computer tape matches, through quality assurance (QA) reviews, or by other means.

A **positive action** is a DHS action to approve an application or increase a benefit.

A **negative action** is a DHS action to deny an application or to reduce, suspend or terminate a benefit. This includes an increase in a post-eligibility patient-pay amount for MA or an increase in the client pay for a special living arrangement.

**NOTICE OF CASE ACTIONS  
All Programs**

Upon certification of eligibility results, Bridges automatically notifies the client in writing of positive and negative actions by generating the appropriate notice of case action. The notice of case action is printed and mailed centrally from the consolidated print center.

**Adequate Notice** An adequate notice is a written notice sent to the client at the same time an action takes effect (not pended). Adequate notice is given in the following circumstances:

**All Programs**

- Approval/denial of an application.
- Increase in benefits.

**FIP, RCA, SDA, MA, CDC and AMP Only**

- A recipient or his legal guardian or authorized representative requests in writing that the case be closed.
- Factual information confirms a recipient's death.
- It is verified that a recipient has been approved for assistance in another state.
- It is verified that an eligible child, **or in MA**, an eligible group member of any age, has been removed from the home as a result of court action.

### **CDC Only**

- The client or provider reports, orally or in writing, that a child is no longer in the care of that provider.
- The client or provider reports, orally or in writing, a need for fewer authorized hours.
- It is verified that a child member of the program group was voluntarily placed in foster care.
- Information verifies the provider is no longer eligible to receive payments.

### **Timely Notice All Programs**

Timely notice is given for a **negative action** unless policy specifies adequate notice or no notice. See Adequate Notice and for CDC and FAP only, Actions Not Requiring Notice, in this item.

A timely notice is mailed at least 11 days before the intended negative action takes effect. The action is pended to provide the client a chance to react to the proposed action.

### **Actions Not Requiring Notice**

#### **Child Care Provider Authorization**

#### **CDC Only**

Notify CDC providers in writing when:

- Adding a new authorization for that provider.
- Shortening or lengthening an authorization period for that provider.
- Increasing or decreasing the authorized hours for that provider.
- Closing the CDC EDG.
- Increasing or decreasing the department pay percent for that provider.

### **EFFECTIVE DATE OF CHANGE**

#### **All Programs**

Bridges evaluates the following dates entered in data collection to determine positive action dates, negative action dates and effective dates:

- Circumstance start/change date.
- Reported on.
- Verification received on.
- Date client became aware.

#### **CDC Only**

Act on reported changes as soon as possible, but act within the standard of promptness; see STANDARDS OF PROMPTNESS in this item. The day a reported change is acted on is not always the day the change must take effect.

**Positive Actions** can be entered on Bridges to affect current, future, and past CDC pay periods. First determine the positive action date. If the change was reported timely, for example a change in providers, (within 10 calendar days), the positive action date is the day the change occurred or is expected to occur. If the change was reported late, the positive action date is the day the change was reported. Positive actions take effect on the positive action date.

**Negative Actions:** If timely notice is required, the negative action date must be the first work day at least 11 days after the notice was sent, or the date the change is expected to occur if that is later. If adequate or no notice is required, the negative action date is immediate (the day action is taken on the change), but not before the change is expected to occur. The following negative changes entered on Bridges take effect as follows:

- Department pay percent decreases take effect in the first CDC pay period that starts on or after the negative action date.
- CDC case closures and member removals (for example removing an eligible child) take effect on the negative action date.

Case actions that end an authorization without removing a member or close the CDC eligibility determination group (EDG) are not pended. If the ended authorization is not being replaced, or is being replaced with one for fewer hours, the change affects the first CDC pay period that begins on or after the negative action date. If replacing the authorization with one for more hours, the rules for positive actions are applied.

#### **NEGATIVE ACTION DATE**

Bridges automatically calculates the negative action date. The negative action date on Bridges is the day after the timely hearing request date on the Bridges notice of case action.

BAM 220, cited above defines this closure of Claimant's Child Development and Care (CDC) as a negative action. The policy also requires that timely notice be given for negative actions unless policy specifies adequate notice or no notice. This closure of Claimant's Child Development and Care (CDC) is not within any of the sections of BAM 220 identifying adequate notice or no notice requirements for CDC. Department policy requires that this closure of Claimant's Child Development and Care (CDC) cannot have a negative action date any earlier than 11 days after notice of the action is sent.

#### **DECISION AND ORDER**

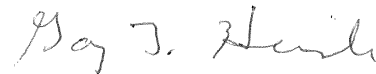
The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the Department of Human Services determined the proper amount of Claimant's Food Assistance Program (FAP) benefits on December 20, 2012. The Department of Human Services also properly stopped Claimant's Child Development

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and Care (CDC) benefits on January 27, 2013 as indicated on the December 20, 2012 Notice of Case Action (DHS-1605).

It is ORDERED that the actions of the Department of Human Services, as stated in the December 20, 2012 Notice of Case Action (DHS-1605) are **UPHELD**.

It is further ORDERED that Claimant's Child Development and Care (CDC) cannot be stopped for any period prior to January 27, 2013. If payment for Child Development and Care (CDC) has not been made for billing periods prior to January 27, 2013 the billing must be allowed and paid.



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Gary F. Heisler  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: March 19, 2013

Date Mailed: March 19, 2013

**NOTICE:** Administrative Hearings 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. Administrative Hearings 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.

GFH/tb

cc:

