

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-37106
Issue Nos.: 1005,1022,1038,3029
Case No.: [REDACTED]
Hearing Date: April 24, 2013
County: Oakland (04)

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 Wednesday, April 24, 2013. Claimant, her husband, [REDACTED] appeared and testified. Participating on behalf of the Department of Human Services ("Department") was [REDACTED], JET Case Manager.

ISSUE

Did the Department properly close Claimant's Family Independence Program (FIP) case and reduce her Food Assistance Program (FAP) benefits due to a failure to participate in employment and/or self-sufficiency-related activities without good cause?

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 FIP and FAP benefits.
2. Claimant's husband was a mandatory JET participant.
3. On November 19, 2012, the Department sent Claimant a Notice of Case Action informing her that the Department intended to terminate her FIP benefits and reduce her FAP benefits effective December 1, 2012 for failure to participate in

employment and/or self-sufficiency-related activities without good cause. (Exhibit 10, pp.9-14)

4. On November 27, 2012, a triage was conducted and the Department determined that Claimant's husband did not have good cause for his failure to participate in the work participation program. (Exhibit 7).
5. Claimant's FIP case closed effective December 1, 2012 for failure to participate in employment and/or self-sufficiency-related activities without good cause and a three month sanction was imposed.
6. Claimant requested a hearing on November 27, 2012 disputing the actions of the Department in closing her FIP case due to noncompliance without good cause.
7. A prehearing conference was held on December 6, 2012 at which Claimant appeared.
8. On December 6, 2012, Claimant signed a Hearing Request Withdrawal indicating that the Department had changed its action in her case and that she was satisfied with her FIP benefits being restored. (Exhibit 7)
9. On December 13, 2012, Claimant reported to the Department that her husband was no longer living in her home and that she wanted him removed as a group member.
10. On December 20, 2012, the Department sent Claimant a Notice of Case Action informing her that the Department processed the member delete and that she had been approved for FIP benefits effective January 1, 2013 in the amount of \$492.00 for a group size of three. (Exhibit 8)
11. On February 1, 2013, Claimant reported that her husband had moved back into the home in January 2013.
12. The Department sent Claimant a Notice of Case Action on February 21, 2013 informing her that for the period of March 1, 2013 to March 31, 2013, her FIP benefits would be increased to \$597.00 for a group size of four. (Exhibit 3)
13. The February 21, 2013 Notice also stated that Claimant's FIP case would be closed effective April 1, 2013 for her husband's previous failure to participate in employment and/or self-sufficiency-related activities without good cause and a three month sanction was again imposed and that her FIP benefits would be decreased effective April 1, 2013. (Exhibit 3).
14. On March 19, 2013, the Department received the Claimant's request for a hearing disputing the closure of her FIP case and the reduction of her FIP benefits.

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.

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 (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, *et seq.*, and Mich Admin Code, R 400.3001 through R 400.3015.

FIP

On November 19, 2012, the Department sent Claimant a Notice of Case Action informing her that the Department intended to terminate her FIP benefits and reduce her FAP benefits effective December 1, 2012 for her husband's failure to participate in employment and/or self-sufficiency-related activities without good cause. (Exhibit 10, pp.9-14). On November 27, 2012, the Department determined at a triage meeting that Claimant's husband did not have good cause for his noncompliance with work-related activities and subsequently closed Claimant's FIP case effective December 1, 2012 imposing a three month sanction. Claimant requested a hearing to dispute the closure.

At the April 24, 2013 hearing, Claimant stated that during a prehearing conference on December 6, 2012, she provided the Department with medical documentation for her son which the Department determined was good cause for her husband's previously determined established noncompliance. Claimant credibly stated that her FIP case was reinstated and that her husband was going to be referred back to the work participation program. An eligibility summary dated December 6, 2012 was reviewed at the hearing. This summary verifies that Claimant was approved for FIP benefits for December 1, 2012 to December 31, 2012 in the amount of \$597.00 for a group size of four. (Exhibit 10, p. 5). Because Claimant's FIP case was reinstated, she signed a Hearing Request Withdrawal indicating she was satisfied with the actions taken by the Department. (Exhibit 7).

On December 13, 2012, Claimant reported to the Department that her husband was no longer living in her home and that she wanted him removed as a group member. On

December 20, 2012, the Department sent Claimant a Notice of Case Action informing her that the Department processed the member delete and that she had been approved for FIP benefits effective January 1, 2013 in the amount of \$492.00 for a group size of three. (Exhibit 8). An eligibility summary dated December 20, 2012 was reviewed at the hearing. (Exhibit 9). This summary verifies that Claimant received FIP benefits in the amount of \$492.00 for a group size of three for the months of January 2013 and February 2013. (Exhibit 9).

On February 1, 2013, Claimant reported that her husband had moved back into the home in January 2013. The Department processed the member add and sent Claimant a Notice of Case Action on February 21, 2013 informing her that for the period of March 1, 2013 to March 31, 2013, her FIP benefits would be increased to \$597.00 for a group size of four. (Exhibit 3). The Notice also stated that Claimant's FIP case would be closed effective April 1, 2013 for her husband's previous failure to participate in employment and/or self-sufficiency-related activities without good cause and a three month sanction was again imposed. (Exhibit 3).

At the hearing, it was the Department's position that Claimant's FIP case was properly closed effective April 1, 2013 because Claimant's husband returned to the group and must now be sanctioned for his previously found non-compliance without good cause. The evidence presented does not support the Department's argument, however. A further review of the testimony and exhibits establishes that at the prehearing conference on December 6, 2012, Claimant's husband was found to have good cause for his noncompliance with work-related activities. On that date, Claimant was approved for FIP benefits for a group size of four, which included her husband, for the month of December 2012. Claimant's testimony, as discussed above, is bolstered by the eligibility summary from December 6, 2012 and the Hearing Request Withdrawal she signed. Therefore, the Department did not act in accordance with Department policy when it closed Claimant's FIP case and imposed a three month sanction effective April 1, 2013 after finding good cause for non-compliance on December 6, 2012.

FAP

Additionally, noncompliance without good cause with employment requirements for FIP may affect FAP if both programs were active on the date of FIP non-compliance. BEM 233B (January 2013), p. 1. An individual is disqualified from a FAP group for noncompliance when the client had active FIP and FAP benefits on the date of the FIP noncompliance; the client did not comply with the FIP employment requirements; the client is subject to penalty on the FIP program; the client is not deferred from FAP work requirements; and the client did not have good cause for the noncompliance. BEM 233B, p. 2.

In this case, the Department terminated Claimant's FIP benefits effective April 1, 2013 based on a reported failure to participate in employment and/or self-sufficiency-related activities without good cause. Because of this reported failure to participate, the Department disqualified Claimant's husband from her FAP group, effective April 1, 2013 thereby reducing Claimant's FAP benefits. (Exhibit 3). As discussed above, the


Department did not act in accordance with Department policy when it closed Claimant's FIP case for her husband's failure to participate in employment and/or self-sufficiency-related activities without good cause and imposed a three month sanction. Therefore, the disqualification of Claimant's husband from the FAP group which resulted in the reduction of FAP benefits 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 for failure to participate in employment and/or self-sufficiency-related activities without good cause, imposed the three month penalty and disqualified Claimant as a member of her FAP group. Accordingly, the Department's FIP and FAP decisions are REVERSED.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Remove the three month sanction that was imposed on Claimant's FIP and FAP cases effective April 1, 2013;
2. Initiate reinstatement of Claimant's FIP case effective April 1, 2013 in accordance with Department policy;
3. Begin recalculating the FAP budget to include Claimant's husband as a qualified FAP group member for April 1, 2013 ongoing in accordance with Department policy and consistent with this Hearing Decision;
4. Begin issuing supplements to Claimant for any FIP and FAP benefits that she was entitled to receive but did not from April 1, 2013, ongoing; and
5. Notify Claimant of its decision in writing in accordance with Department policy.


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

Date Signed: May 1, 2013

Date Mailed: May 1, 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

ZB/cl

cc:

