

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201419668
Issue No.: 1001; 3000
Case No.: [REDACTED]
Hearing Date: January 23, 2014
County: Wayne (35)

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

HEARING DECISION

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, a telephone hearing was held on January 23, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Assistance Payment Worker.

ISSUE

Did the Department properly deny Claimant's application for 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. On [REDACTED], 2013, Claimant applied for FIP benefits.
2. On [REDACTED], 2013, the Department sent Claimant a Notice of Case Action denying the application.
3. On [REDACTED], 2013, Claimant filed a request for hearing disputing the Department's actions concerning her FIP and Food Assistance Program (FAP) application.

CONCLUSIONS OF LAW

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

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10 and 400.57a and Mich Admin Code, R 400.3101 to .3131.

Additionally, although Claimant requested a hearing concerning FIP and FAP, at the hearing, Claimant testified that her FAP issue had been resolved and she wished to dismiss her hearing request concerning that issue. The hearing proceeded to address the denial of Claimant's FIP application.

The [REDACTED], 2013 Notice of Case Action informed Claimant that her FIP application was denied because her income exceeded the limit for the program. In order to receive FIP benefits, a client must establish that financial need exists. BEM 518 (July 2013), p. 1. Financial need is established, in part, when an applicant passes the Qualifying Deficit Test. BEM 518, p. 1. A client passes the Qualifying Deficit Test if the certified group's budgetable income (after applying the qualifying earned income disregard) for the income month minus the certified group's payment standard for the application month is \$10 or less. BEM 515 (July 2013), pp. 1, 2, 5; BEM 518, p. 1. At application, the months subject to the qualifying deficit test are the first **two** application months in which the group could be eligible for a FIP assistance payment. BEM 518, p. 1.

Claimant, who was pregnant with twins at the time of application but had no other minor children, had a group size of one. See BEM 210 (July 2013), p. 13. The FIP monthly assistance payment standard for a group size of one is \$306. RFT 210 (December 2013), p. 1.

At the hearing, the Department worker testified that, in determining Claimant's income eligibility, it relied on paystubs Claimant received on [REDACTED], 2013 showing gross income of \$448, on [REDACTED], 2013 showing gross income of \$192, and [REDACTED], 2014 showing gross income of \$658.

Because the Department denied Claimant's FIP eligibility on [REDACTED], 2013, it clearly did not rely on paystubs Claimant received on [REDACTED], 2013 and [REDACTED], 2014 in denying her FIP application for excess income. Claimant credibly testified that she was put on bed rest from her doctor and provided the Department with a letter from her employer dated [REDACTED], 2013, showing that the employer had placed Claimant on indefinite medical leave on [REDACTED], 2013 based on her doctor's notice. Claimant also credibly testified that she included with her FIP application a letter

from her doctor dated [REDACTED], 2013, in which he recommended that Claimant go on bed rest and no longer work because of her high risk pregnancy. These documents support Claimant's testimony that she did not work after [REDACTED], 2013 and that the [REDACTED], 2013 paycheck was the last employment paycheck she received. Although the Department testified that there was another paycheck for [REDACTED], 2014, the worker at the hearing, who was not Claimant's worker and did not have a copy of the paystub to present, was unable to credibly dispute Claimant's testimony. The Department failed to establish that it considered Claimant's FIP eligibility for [REDACTED] 2013 and [REDACTED] 2014 at the time it denied her FIP application on [REDACTED], 2013.

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it denied Claimant's FIP application.

DECISION AND ORDER

Based on Claimant's request to withdraw her [REDACTED], 2013, hearing request concerning FAP, the FAP issue is DISMISSED.

The Department's FIP decision is REVERSED.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Reregister and reprocess Claimant's [REDACTED], 2013, FIP application;
2. Issue supplements to Claimant for any FIP benefits she was eligible to receive but did not from [REDACTED], 2013, ongoing; and
3. Notify Claimant in writing of its FIP decision.



Alice C. Elkin
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: January 29, 2014

Date Mailed: January 29, 2014

NOTICE OF APPEAL: 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 or Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

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).

A Request for Rehearing or Reconsideration may be granted when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The Department, AHR or the claimant must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date the hearing decision is mailed.

The written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings
Reconsideration/Rehearing Request
P.O. Box 30639
Lansing, Michigan 48909-07322

ACE/tif

cc:

