

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

**IN THE MATTER OF:**

██████████  
██████████████████  
██████████

Reg. No.: 2014 19005  
Issue No(s): 6002  
Case No.: ██████████  
Hearing Date: March 10, 2014  
County: Wayne County DHS

**ADMINISTRATIVE LAW JUDGE:** Lynn M. Ferris

**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, telephone hearing was held on March 10, 2014, from Detroit, Michigan. Participants on behalf of Claimant included the Claimant. Participants on behalf of the Department of Human Services (Department) included ██████████ ██████████, Eligibility Specialist.

**ISSUE**

Did the Department properly fail to pay the Claimant's CDC provider prior to the CDC closure on October 6, 2013?

**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 Department's hearing summary indicated that the CDC case closed on 10/6/13 through 10/19/13 for failure to return required information (pay stubs) and loss of employment. The Claimant remained employed throughout the period however she switched jobs with no lapse of employment.
2. The Claimant provided all the information requested by the Department. The Department did not produce a notice of case action but testified that as of 9/12/13 the case was closed due to failure of Claimant to provide verification. The Department did not provide any of the verification checklists.
3. During the period in question the Claimant did not switch CDC providers.

4. The Department did not pay the Claimant's CDC provider for the period beginning 9/9/13 through 10/14/13.
5. The Claimant requested a hearing on December 10, 2013 protesting the failure of the Department to pay her CDC provider.

### **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 Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, 42 USC 601-619, 670-679c, and 1397-1397m-5; the Child Care and Development Block Grant of 1990, PL 101-508, 42 USC 9858 to 9858q; and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193. The program is implemented by 45 CFR 98.1-99.33. The Department administers the program pursuant to MCL 400.10 and provides services to adults and children pursuant to MCL 400.14(1) and Mich Admin Code, R 400.5001-.5020.

Additionally, in this case the Department apparently closed the Claimant's case for failure to provide verification of her ongoing day care provider who the department was paying during the period in question, and failure to demonstrate loss of employment. No verification checklists were provided and no Notice of Case Action was provided during the hearing. The Department could not explain why the Claimant's provider requests for payment were not made after September 7, 2013 as the CDC case was open and did not close until October 6, 2013. Based upon the evidence provided the Department presented no basis to fail to process bills submitted by the provider during the period after 9/7/13 through the date of closure 10/6/13. As the Department presented no basis for its failure to process, it is determined that the Department improperly failed to process bills for the weeks of 9/9/13, 9/16/13, 9/23/13 and 9/30/13 as Claimant's case was open and eligibility ongoing. It was unclear based upon the evidence presented by the Department why the payments were not processed and thus the Department did not meet its burden of proof to demonstrate why the payments were not made.

As regards the period for weeks 10/6/13 and 10/14/13 the Department presented no basis for the closure having not provided proof of any verification checklists it alleged were not responded to or the Notice of Case Action. The Claimant credibly testified that she had multiple communications with her then worker and all information requested was provided with her review. Therefore, the Department did not meet its burden of proof to demonstrate why the case closed October 6, 2013.

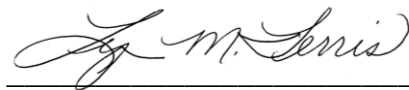
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department

- did not act in accordance with Department policy when it failed to process provider payments for the weeks of September 9, 16, 23 and 30, 2013.
- failed to satisfy its burden of showing that it acted in accordance with Department policy when it closed the Claimant's CDC for failure to return verification for the period 10/6/13 through 10/10/13.

**DECISION AND ORDER**

Accordingly, the Department's 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. The Department shall process provider payments received for the weekly periods beginning September 9, 16, 23 and 30, 2013 and October 6 and October 13, 2013.
  2. The Department shall reinstate the Claimant's CDC case beginning October 6, 2013 ongoing.



**Lynn M. Ferris**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: April 1, 2014

Date Mailed: April 1, 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

LMF/tm

cc: [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]