

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

**IN THE MATTER OF:**

██████████  
██████████  
██████████

Reg. No.: 2014 31118  
Issue No(s): 1001  
Case No.: ██████████  
Hearing Date: April 16, 2014  
County: Wayne (57)

**ADMINISTRATIVE LAW JUDGE:** Jacquelyn A. McClinton

**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 April 16, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included ██████████ ██████████, Family Independence Specialist.

**ISSUE**

Did the Department properly close Claimant's Family Independence Program (FIP) case as a result of her adult son's lottery winnings?

**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 benefits.
2. In February 2014, Claimant's adult son, who resided in her home, had lottery winnings in the amount of \$3,200.00.
3. On February 28, 2014, the Department sent Claimant a Notice of Case Action notifying her that her FIP case would close effective April 1, 2014 as her countable assets were higher than the allowable amount.
4. On March 5, 2014, Claimant filed a request for hearing disputing the Department's actions.

### **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.

The facts at the hearing were not in dispute. Both parties agreed that Claimant's adult son had lottery winnings in the amount of \$3,200.00 in February 2014. Further, both parties agree that Claimant's son resided in the home at the time of the winnings. The Department was aware that Claimant's son was in the process of moving out of the family home in March 2014.

The Department testified that it closed Claimant's FIP case because the value of her countable assets was higher than allowed. However, Claimant testified that her son moved out of the family home on March 17, 2014 and that she reported his departure on March 18, 2014. When a client meets the requirement that caused the negative action before the negative effective date, the Department is required to delete the negative action. BAM 220 (January 2014) p. 12. Accordingly, because Claimant cured the issue causing the negative action before the effective date of April 1, 2014, the negative action should have been deleted.

Additionally, Department policy requires that for changes reported timely, the change will be reflected the first month that begins at least 10 days after the change is reported. BEM 515 (July 2013), p. 3. On March 18, 2014, Claimant reported to the Department that her two adult children moved from the home, leaving three minor children in the home. Because the change was reported more than 10 days prior to the next month, Claimant's FIP benefits should not have been closed.

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 closed Claimant's FIP case.

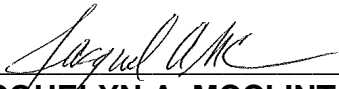
### **DECISION AND ORDER**

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. Reinstate Claimant's FIP case as of April 1, 2014; and
2. Issue supplements to Claimant for any FAP benefits that she was entitled to receive but did not receive from April 1, 2014, ongoing.

  
**JACQUELYN A. MCCLINTON**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: April 30, 2014

Date Mailed: April 30, 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.

2014-31118/JAM

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

JAM/cl

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