

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

IN THE MATTER OF:



Reg. No.: 201434741
Issue No(s): 1001
Case No.: [REDACTED]
Hearing Date: May 15, 2014
County: Wayne (43)

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 May 15, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Family Independence Manager.

ISSUE

Did the Department properly close Claimant's case 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 January 22, 2014, Claimant applied for FIP benefits.
2. On March 3, 2014, the Department sent Claimant a Notice of Case Action denying her FIP application because she had failed to attend the PATH program.
3. On April 3, 2014, the Department reprocessed Claimant's FIP application and issued FIP benefits to Claimant for February 16, 2014 to April 30, 2014.
4. On April 3, 2014, the Department sent Claimant (i) a Notice of Noncompliance informing her that she had failed to comply with FIP-related activities on January 7, 2014 when she quit or was fired from her job and (ii) a Notice of Case Action

notifying her that her FIP case would close effective May 1, 2014 for failure to comply with employment-related activities without good cause and she would be sanctioned from receipt of FIP benefits for 6 months.

5. On April 8, 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, Pub. L. No. 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Family Independence Agency) administers FIP pursuant to 45 CFR 233-260, MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3101 to .3131.

Additionally, the Department's hearing summary responded to a March 3, 2014 Notice of Case Action denying Claimant's January 22, 2014 FIP application on the basis that Claimant had failed to attend the PATH program. At the hearing, the Department testified that, before receiving Claimant's April 8, 2014 hearing request, it concluded that Claimant had not been sent a PATH appointment and that it had erroneously denied Claimant's application. On April 3, 2014, the Department reregistered and reprocessed Claimant's FIP application and issued a FIP supplement for the period between February 16, 2014, the first day based on the application date that Claimant was eligible to receive FIP benefits, and April 30, 2014. Claimant confirmed that she received FIP benefits for that period.

When questioned concerning why Claimant's benefits had stopped as of April 30, 2014, the Department explained that a Notice of Noncompliance was sent to Claimant, as well as a Notice of Case Action, on April 3, 2014, the same day as the FIP supplement was issued, notifying her that her FIP case would close effective May 1, 2014. Because Claimant requested a hearing concerning her FIP status on April 8, 2014, after the April 3, 2014 Notice of Case Action was sent, the Department's actions concerning the case closure were also addressed at the hearing.

At the hearing, the Department was unable to explain why Claimant's case was due to close effective May 1, 2014, and copies of the April 3, 2014 Notice of Case Action and Notice of Case Action were requested. The Notice of Noncompliance identified the noncompliance at issue as Claimant quitting or being fired from a job on January 7, 2014. The Notice of Case Action showed, that because of this noncompliance, and the lack of good cause, Claimant was sanctioned from receipt of FIP benefits for six

months, the sanction that applies for a second occurrence of noncompliance. See BEM 233A (July 2013), p. 8.

The noncompliance relating to quitting or termination of employment in this matter is identified on the Notice of Noncompliance as occurring on January 7, 2014. Department policy provides that, if a work-eligible FIP applicant refuses suitable employment without good cause while the FIP application is pending **or up to 30 days before the FIP application date**, the Department may approve FIP benefits no earlier than the pay period following the pay period containing the 30th day after the refusal of employment. BEM 233A, p. 7. Refusing employment includes quitting a job or being fired for misconduct or absenteeism. BEM 233A, p. 4. Because the noncompliance at issue in this case did not occur during the period Claimant was receiving FIP benefits, it is **not** a noncompliance justifying closure of Claimant's FIP case. At best, because the alleged noncompliance occurred less than 30 days prior to the January 22, 2014 application, it would result in a delay of benefit eligibility. Furthermore, because Claimant did not have an active FIP case at the time of the alleged January 7, 2014 noncompliance, the Department could not sanction Claimant's FIP case. See 233A, p. 8.

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 effective May 1, 2014.

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. Remove any FIP-related sanction applied on or about May 1, 2014 from Claimant's record;
2. Reinstate Claimant's FIP case effective May 1, 2014; and
3. Issue supplements to Claimant for FIP benefits she was eligible to receive from May 1, 2014, ongoing.



Alice C. Elkin
Administrative Law Judge
for Maura Corrigan, Director

Department of Human Services

Date Signed: May 20, 2014

Date Mailed: May 20, 2014

NOTICE OF APPEAL: A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides or has its principal place of business in the State, or the circuit court in Ingham County, within 30 days of the receipt date.

A party may request a rehearing or reconsideration of this Hearing Decision from the Michigan Administrative Hearing System (MAHS) within 30 days of the mailing date of this Hearing Decision, or MAHS may order a rehearing or reconsideration on its own motion.

MAHS may grant a party's Request for Rehearing or Reconsideration 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 party requesting a rehearing or reconsideration 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 this Hearing Decision is mailed.

A written request may be faxed or mailed to MAHS. If submitted by fax, 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/tlf

cc:

