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

#### IN THE MATTER OF:



Reg. No.: 14-001784 Issue No.: 1008 Case No.: Hearing Date: County:

June 18, 2014 WAYNE-DISTRICT 55

## 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 June 18, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included \_\_\_\_\_, PATH Case Manager.

## ISSUE

Did the Department properly close Claimant's Family Independence Program (FIP) case for failure to participate in employment related activities?

## **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 is an ongoing recipient of FIP benefits.
- Claimant participated in a Department approved internship from March 3, 2014 2. through April 11, 2014.
- 3. On April 9, 2014, the Department sent Claimant a noncompliance warning notice stating that she had not participated in the required employment related activities.

- 4. On April 18, 2014, the Department sent Claimant a Notice of Case Action notifying her that her case would close effective May 1, 2014 and also sent a Notice of Noncompliance for failing to participate in employment related activities.
- 5. On April 24, 2014, the Department held a meeting in which it found that Claimant did not establish good cause for her failure to participate in employment related activities.
- 6. On April 24, 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 requires clients to participate in employment and selfsufficiency related activities and to accept employment when offered. The focus is to assist clients in removing barriers so they can participate in activities which lead to selfsufficiency. However, there are consequences for a client who refuses to participate, without good cause. BEM 223A (July 2013), p. 1.

A Work Eligible Individual (WEI) and a non-WEI who fails, without good cause, to participate in employment or self-sufficiency-related activities, must be penalized. Depending on the case situation, penalties include the following:

- Delay in eligibility at application.
- Ineligibility (denial or termination of FIP with no minimum penalty period).
- Case closure for a minimum of three months for the first episode of noncompliance, six months for the second episode of noncompliance and lifetime closure for the third episode of noncompliance. *Id*.

In this case, the Department sent a Notice of Noncompliance and Notice of Case Action to Claimant indicating that she failed to participate in employment related activities and as such, her FIP case would close effective May 1, 2014. However, Claimant credibly testified that she was involved in an internship from March 3, 2014 through April 11, 2014. At the hearing, Claimant played a voicemail left by her worker which she confirmed the Department's knowledge of the internship and also indicated that Claimant was in compliance with the requirements. The Case Notes show that a noncompliance warning notice was sent to Claimant on April 9, 2014. At the time the warning notice was sent, Claimant was in compliance as she was participating in an internship.

Further, Department policy holds that a client can establish good cause for noncompliance which consists of a valid reason for noncompliance with employment and/or self-sufficiency related activities that are based on factors that are beyond the control of the noncompliant person. BEM 233A, p. 4. On April 18, 2014, the Department sent Claimant a Notice of Case Action notifying her that her FIP case would close effective May 1, 2014. On April 18, 2014, the Department also sent a Notice of Noncompliance scheduling a meeting for April 24, 2014 to allow Claimant an opportunity to establish good cause. Claimant appeared for the April 24, 2014 meeting; however the Department found that Claimant did not establish good cause for failing to participate in employment related activities and informed her that her FIP case would close effective May 1, 2014. Claimant immediately filed a Request for Hearing.

Because Claimant was participating in an approved internship during the time the Department found her to be noncompliant with employment related activities, 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 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. Reinstate Claimant's FIP case effective May 1, 2014; and

Page 4 of 5 14-001784 JAM

2. Issue supplements to Claimant for any FIP benefits she was eligible to receive but did not from May 1, 2014, ongoing.

Jacquelyn A. McClinton Administrative Law Judge for Maura Corrigan, Director Department of Human Services

Date Signed: 6/26/2014

Date Mailed: 6/26/2014

JAM/cl

**NOTICE OF APPEAL:** A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides, 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

Page 5 of 5 14-001784 JAM

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

