

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

IN THE MATTER OF:



Reg. No.: 2014-35059
Issue No(s): 6002
Case No.: [REDACTED]
Hearing Date: May 28, 2014
County: Wayne (31)

ADMINISTRATIVE LAW JUDGE: Zainab Baydoun

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 28, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Hearings Facilitator and [REDACTED], Eligibility Specialist.

ISSUE

Did the Department properly close Claimant's Child Development and Care (CDC) case on the basis that she failed to return verification of missing check stubs?

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 CDC benefits.
2. On March 19, 2014, the Department sent Claimant a Notice of Case Action informing her that effective April 6, 2014, ongoing, her CDC case would be closed on the basis that she failed to return verification of missing check stubs. (Exhibit 1)
3. On March 19, 2014, the Department sent Claimant and her CDC provider a Child Care Provider Authorization form informing them that CDC payments were authorized through March 22, 2014. (Exhibit 2).

4. On April 16, 2014, Claimant submitted a hearing request 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 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, verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (April 2014), p.1. To request verification of information, the Department sends a VCL which tells the client what verification is required, how to obtain it, and the due date. BAM 130, pp. 2-3. Although the client must obtain the required verification, the Department must assist if a client needs and requests help. If neither the client nor the Department can obtain the verification despite a reasonable effort, the Department is to use the best available information; and if no evidence is available, the Department is to use its best judgment. BAM 130, p. 3.

With respect to CDC cases, clients are given 10 calendar days to provide the verifications requested by the Department. Verifications are considered to be timely if received by the date they are due. BAM 130, p.6. The Department sends a negative action notice when the client indicates a refusal to provide a verification or the time period given has elapsed and the client has not made a reasonable effort to provide it. BAM 130, p. 6. For CDC cases, if the client cannot provide the verification despite a reasonable effort, the Department can extend the time limit at least once. BAM 130, p. 6.

In this case, the Department initially testified that because Claimant failed to turn in proof of her missing check stubs, it sent Claimant a Notice of Case Action informing her of the CDC case closure effective April 6, 2014. (Exhibit 1). The Department stated that Claimant subsequently turned in the missing check stubs and that it determined that Claimant was ineligible for CDC benefits on the basis that her income exceeded the limit. There was insufficient evidence to support the Department's testimony that Claimant was ineligible for CDC based on excess income, so any case closure on this basis is improper.

At the hearing, Claimant testified that after she received the Notice of Case Action on March 24, 2014, and prior to the effective negative action date, she turned in the check stubs that were missing. Claimant stated that she was informed by the Department to continue taking her child to day care and that she incurred out of pocket expenses because her CDC provider had not been paid since March 22, 2014. According to the Eligibility Summary and the Notice of Case Action, Claimant's CDC provider should have been paid through April 6, 2014, and the Department remained unable to explain why the Child Care Provider Authorization form only authorized payments through March 22, 2014. (Exhibits 1-3).

It was further established that the Department never sent Claimant a VCL requesting that she submit check stubs or employment verification. Because the Department did not send Claimant a VCL instructing her to submit check stubs, the Department should not have closed Claimant's CDC case on the basis that verification of check stubs were not returned.

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 closed Claimant's CDC 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 CDC case effective April 6, 2014;
2. Issue supplements to Claimant and her CDC provider for any CDC benefits that she was entitled to receive from March 22, 2014, ongoing; and
3. Notify Claimant of its decision in writing.



Zainab Baydoun
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: June 11, 2014

Date Mailed: June 11, 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

ZB/tlf

cc:

