

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 14-003558
Issue No.: 6000; 3001; 2000; 5001
Case No.: [REDACTED]
Hearing Date: August 4, 2014
County: Wayne (15)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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, an in-person hearing was held on August 4, 2014, from Detroit, Michigan. Participants included the above-named Claimant. Participants on behalf of the Department of Human Services (DHS) included [REDACTED], Specialist.

ISSUES

The first issue is whether Claimant is entitled to reimbursement for a \$30 late fee concerning Child Development and Care (CDC) benefits.

The second issue is whether Claimant requested a hearing concerning Medical Assistance (MA) eligibility.

The third issue is whether DHS properly determined Claimant's Food Assistance Program (FAP) eligibility.

The fourth issue is whether DHS properly denied Claimant's State Emergency Relief (SER) application requesting security deposit, electric bill assistance, and moving expenses.

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 CDC, FAP and MA benefit recipient.

2. On an unspecified date, DHS improperly terminated Claimant's CDC eligibility.
3. On an unspecified date, DHS reinstated Claimant's CDC eligibility.
4. On an unspecified date, DHS determined Claimant's FAP eligibility, effective 2/2014, in part by budgeting any medical expenses for Claimant.
5. On [REDACTED], Claimant applied for SER for help paying a security deposit, electric bill, and moving expenses.
6. On [REDACTED], Claimant requested a hearing, in part to dispute the following: a \$30 day care late fee charge, FAP eligibility from 2/2014, and SER disputes concerning security deposit, electric bill, and moving expenses.

CONCLUSIONS OF LAW

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. Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM) and Department of Human Services Bridges Eligibility Manual (BEM) and Department of Human Services Reference Tables Manual (RFT).

Claimant requested a hearing, in part, concerning CDC eligibility. It was not disputed that DHS improperly terminated Claimant's CDC eligibility.

The Michigan Administrative Hearing System may grant a hearing about any of the following:

- denial of an application and/or supplemental payments;
- reduction in the amount of program benefits or service;
- suspension or termination of program benefits or service
- restrictions under which benefits or services are provided;
- delay of any action beyond standards of promptness; or
- the current level of benefits or denial of expedited service (for Food Assistance Program benefits only).

BAM 600 (7/2013), p. 3.

It was not disputed that DHS fully reinstated Claimant's CDC eligibility, so that Claimant suffered no lapse in benefits. Claimant credibly testified that the CDC termination caused a delay in payment to her CDC provider. Claimant credibly testified that she

incurred a \$30 late charge from her CDC provider as a direct result of the improper CDC benefit termination.

Claimant may have a basis for reimbursement of a late fee though a judicial court. The administrative hearing process does not allow the remedy that Claimant seeks. Claimant could have requested a hearing to correct an improper CDC benefit termination. As DHS already reinstated Claimant's CDC eligibility, nothing more can be done within the administrative hearing process. Claimant's hearing request will be dismissed concerning her CDC benefit dispute.

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105. Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM) and Department of Human Services Bridges Eligibility Manual (BEM) and Department of Human Services Reference Tables Manual (RFT).

Claimant testified that she requested a hearing, in part, to dispute MA eligibility. Claimant's testimony implied that she received Medicare. Claimant's testimony seemed to dispute a DHS failure to pay Claimant's Medicare premium. Claimant initially stated that DHS completely failed to process applications dated [REDACTED] and [REDACTED]. Documentary evidence (see Exhibits A3-A6) verified that DHS denied the applications. Presumably, Claimant disputes the denial of MA benefits.

On her hearing request, Claimant checked that four different programs were in dispute; MA was not listed as a disputed program. Claimant also wrote a lengthy statement on her hearing request; the statement did not express a dispute of MA eligibility. Claimant is not entitled to an administrative hearing for a program which was not cited as a disputed program in a hearing request.

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food Stamp Act of 1977, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 271.1 to 285.5. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10 and Mich Admin Code, R 400.3001 to .3015. Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM) and Department of Human Services Bridges Eligibility Manual (BEM) and Department of Human Services Reference Tables Manual (RFT).

Claimant's hearing request did list a FAP benefit dispute. It was not clear from Claimant's hearing request what she dispute concerning FAP eligibility. Claimant testified that she believes that DHS improperly determined her FAP eligibility since 2/2014.

FAP benefit determinations factor the following: income, standard deduction, mortgage expenses utility credit, medical expenses, child support expenses, day care expenses, group size and senior/disability/disabled veteran status. During the hearing, a budget summary (Exhibit 3) was discussed. The only FAP budget factor in dispute was medical expenses.

Verified medical expenses for groups with a senior/disabled/disabled veteran member are subtracted from a client's monthly countable income. BEM 556 (7/2013), p. 4. DHS applies a \$35 per month copayment to monthly medical expenses. *Id.*

DHS presented Claimant's 2/2014 FAP budget (Exhibits 1-2). The budget listed \$0 in medical expenses.

Claimant presented a SSA letter dated [REDACTED] (see Exhibits A7-A8). The letter stated that Claimant's Social Security benefit would be reduced \$104.90 for medical insurance premiums, effective 2/2014.

Presented evidence was suggestive that DHS failed to properly determine Claimant's medical expenses from 2/2014. Based on the date of Claimant's SSA letter, consideration was given to finding that Claimant did not report a change in medical expenses to DHS until after she requested a hearing.

It was established that DHS was previously paying Claimant's Medicare premium. It is not known why DHS stopped paying Medicare premium, however, it cannot be disputed that when DHS stopped, they were aware that Claimant would be charged for a Medicare premium. Thus, DHS cannot legitimately claim being unaware that Claimant had an ongoing medical expense after DHS stopped paying Claimant's premium. It is found that DHS failed to evaluate Claimant's medical expenses in her FAP eligibility from 2/2014.

The State Emergency Relief (SER) program is established by the Social Welfare Act, MCL 400.1-.119b. The SER program is administered by the Department (formerly known as the Family Independence Agency) pursuant to MCL 400.10 and by Mich Admin Code, R 400.7001 through R 400.7049. Department policies are contained in the Department of Human Services Emergency Relief Manual (ERM).

Claimant testified that she was living in a homeless shelter in 4/2014. Claimant testified that she applied for an SER on [REDACTED], seeking help with payment of a security deposit, electrical account balance, and moving expenses.

Claimant testified that her security deposit has since been paid by an unspecified third party agency. Claimant testified she did not have to pay out-of-pocket for a security deposit. Claimant's hearing request will be dismissed concerning security deposit because she resolved her emergency without any out-of-pocket loss.

Claimant testified that she requested SER for an electrical balance because her energy provider would not restore her service until a previous balance was paid. On [REDACTED], DHS denied Claimant's request because "the bill is not connected to your current address" (see Exhibits A9-A10).

Concerning energy payments, the bill must be connected to the group's current address. ERM 301 (10/2013), p. 4. If the bill, including old or transferred balances, must be paid to start or maintain service at the current or new address, payment may be authorized up to the fiscal year cap, as long as the payment resolves the emergency. *Id.*

DHS policy does not allow for payment of energy services for clients that have not yet moved into a residence. It was not disputed that at the time Claimant applied for energy assistance, Claimant resided in a homeless shelter. Accordingly, DHS properly denied Claimant's request for energy services.

Claimant also applied for SER for moving expenses. Claimant expressed particular outrage at DHS' denial of her request because the denial was followed by the sale of several personal items which Claimant could not afford to transport.

ERM 303 addresses SER for relocation services. State Emergency Relief assists individuals and families to resolve or prevent homelessness by providing money for rent, security deposits, and moving expenses. ERM 303 (10/2013), p. 1.

DHS conceded that Claimant's SER request for moving expenses was not processed. It is found that DHS improperly failed to process Claimant's SER application requesting assistance for moving expenses.

DECISION AND ORDER


The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that Claimant is not entitled to administrative remedy for a CDC provider late charge or an already paid security deposit. It is further found that Claimant did not request a hearing concerning MA eligibility. Claimant's hearing request is **PARTIALLY DISMISSED**.

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly denied Claimant's SER application for energy services. The actions taken by DHS are **PARTIALLY AFFIRMED**.

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS improperly denied Claimant's SER application for moving expenses. It is further found that DHS improperly determined Claimant's FAP eligibility from 2/2014. It is ordered that DHS perform the following actions:

- (1) reinstate Claimant's SER application dated [REDACTED] concerning moving expenses;
- (2) redetermine Claimant's FAP eligibility, effective 2/2014, subject to the finding that DHS failed to budget Claimant's Medicare premium as a medical expense; and
- (3) initiate supplement of any benefits improperly not issued.

The actions taken by DHS are **PARTIALLY REVERSED**.


Christian Gardocki
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: 8/13/2014

Date Mailed: 8/13/2014

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

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

cc:

