

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

**IN THE MATTER OF:**



Reg. No.: 14-008040  
Issue No.: 6008  
Case No.: [REDACTED]  
Hearing Date: October 1, 2014  
County: INGHAM

**ADMINISTRATIVE LAW JUDGE: Darryl Johnson**

**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, telephone hearing was held on October 1, 2014, from Lansing, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included Hearings Facilitator [REDACTED].

**ISSUE**

Due to excess income, did the Department properly close Claimant's case for Child Development and Care (CDC)?

**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 received CDC benefits.
2. On May 30, 2014, the Department received Claimant's redetermination. (Exhibit 1 Pages 1-6.)
3. On June 17, 2014, the Department mailed to Claimant a Verification Checklist (VCL) to verify his income.
4. Claimant submitted copies of check stubs, and a copy of his employment agreement with Michigan State University.
5. On July 11, 2014, the Department closed Claimant's case effective July 1, 2014 due to excess income. (Exhibit 1 Pages 19-21.)

6. On July 16, 2014, Claimant filed a hearing request, protesting 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), and Department of Human Services Reference Tables Manual (RFT).

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.

Per BEM 505 (7/1/13), p 1,

“A group’s financial eligibility and monthly benefit amount are determined using:

- Actual income (income that was already received).
- Prospected income amounts (not received but expected).

Only countable income is included in the determination; see BEM 500.

Each source of income is converted to a standard monthly amount, unless a full month’s income will not be received; see standard monthly amount in this item.

“For CDC, benefit month is the month in which the pay period ends.”

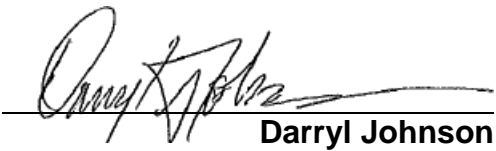
The Department redetermined Claimant’s CDC based upon the reported income. Claimant reported earning [REDACTED] in three bi-weekly paychecks received in [REDACTED], and [REDACTED] in two bi-weekly paychecks received in [REDACTED]. His total income for the five pay periods was [REDACTED] for an average bi-weekly pay. That equates to [REDACTED] per month when the bi-weekly gross is multiplied by the factor of 2.15. Per RFT 270, (8/1/14) if a group of three has income of [REDACTED] or more per month, the group is not eligible for any CDC. Had his income been [REDACTED] or less, he would have had 95% of his child care expense paid. If his income were between [REDACTED] and [REDACTED], he could have had 90% of it paid, and if his income were between [REDACTED] and [REDACTED], he could have had 80% of it paid. Even if he had gross income of [REDACTED] to [REDACTED], he could have had 70% of it paid. But, because he exceeded the upper limit none of it could be paid. As unfortunate as his circumstances are, the Department followed the policy.

Claimant has two girls that he is trying to raise while he works as a teaching assistant. His income increased over the summer, and he expects it will decline during the school year. Regardless of his circumstances, the policy requires that the Department close his CDC when his income exceeds the eligibility limits.

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 acted in accordance with Department policy when it closed Claimant's CDC.

### **DECISION AND ORDER**

Accordingly, the Department's decision is **AFFIRMED**.

  
**Darryl Johnson**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: **10/6/2014**

Date Mailed: **10/6/2014**

DJ/jaf

**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:

