

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 14-008352
Issue No.: 6002
Case No.: [REDACTED]
Hearing Date: October 16, 2014
County: Oakland-3 (Southfield)

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, a telephone hearing was held on October 16, 2014, from Lansing, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included Family Independence Manager [REDACTED].

ISSUE

Due to a failure to comply with the verification requirements, did the Department properly close Claimant's case for Child Development and Care (CDC)?

FINDINGS OF FACT

The Administrative Law Judge, based upon the competent, material, and substantial evidence on the whole record, including testimony of witnesses, finds as material fact:

1. Claimant received CDC benefits.
2. Claimant was required to submit requested verification by January 21, 2014. (Exhibit 1 Pages 8-10.)
3. On July 20, 2014, the Department closed Claimant's case and sent Claimant notice of its action. (Exhibit 1 Pages 21-23.)
5. On July 23, 2014, Claimant filed a hearing request, protesting the Department's action.

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.

“Clients must cooperate with the local office in determining initial and ongoing eligibility. This includes completion of necessary forms; see Refusal to Cooperate Penalties in this item. Clients must completely and truthfully answer all questions on forms and in interviews.” BAM 105.

Per BAM 130, at page 6, says:

Verifications are considered to be timely if received by the date they are due. For electronically transmitted verifications (fax, email or Mi Bridges document upload), the date of the transmission is the receipt date. Verifications that are submitted after the close of regular business hours through the drop box or by delivery of a DHS representative are considered to be received the next business day.

Send a negative action notice when:

The client indicates refusal to provide a verification, **or**

The time period given has elapsed and the client has **not** made a reasonable effort to provide it.

The issue is whether the Claimant provided timely verification in response to the request. The Department mailed the request to Claimant on January 10, 2014. Previously, Claimant and her husband had provided a Self-Employment Income and Expense Statement reporting he worked 20 hours per month. (Exhibit 1 Page 6.) The couple had been granted guardianship over their niece (now four years old), and they sought CDC so both could work.

CDC program requirements are found in BEM 703 (7/1/13) at page 1. “The goal of the Child Development and Care (CDC) program is to preserve the family unit and to promote its economic independence and self-sufficiency by promoting safe, affordable, accessible, quality child care for qualified Michigan families.

“The CDC program may provide a subsidy for child care services for qualifying families when the parent(s)/substitute parent(s) is **unavailable** to provide the child care because of employment, participation in an approved activity and/or because of a condition for which treatment is being received **and** care is provided by an eligible provider.” Because of processing by a prior case worker, Claimant and her husband had been approved for 80 hours of CDC per bi-weekly period. When a new worker was assigned, she concluded the documentation did not support that many hours given the self-reported 20 hours per month

that the husband was working. Claimant was instructed to provide proof of the couple's income, as well as information to document his work hours.

"For CDC eligibility to exist for a given child, each parent/substitute parent (P/SP) must demonstrate a valid need reason. This section specifies who must demonstrate those valid need reasons.

BAM 703 goes on to state at 4:

"There are four valid CDC need reasons. Each parent/substitute parent of the child needing care must have a valid need reason during the time child care is requested. Each need reason must be verified and exists only when each parent/substitute parent is unavailable to provide the care because of:

1. Family preservation.
2. High school completion.
3. An approved activity.
4. Employment."

Thus, to be eligible, both parents have to demonstrate a need for CDC, and to do that, they need to demonstrate that their work hours require both of them to be out of the home during the same hours. Claimant did not provide any additional verification of her husband's employment. The verification she provided of her own employment did not substantiate that she was working 40 hours per week. The critical point is that they did not provide sufficient documentation to verify that they had a need for 80 hours of CDC bi-weekly. They did not establish any need at all.

It will be noted that in most cases, CDC eligibility is dependent upon a showing of financial need. There are some groups that are categorically eligible, regardless of income, as stated in BEM 703 at 14:

The following three eligibility groups are categorically eligible and do not require an income determination:

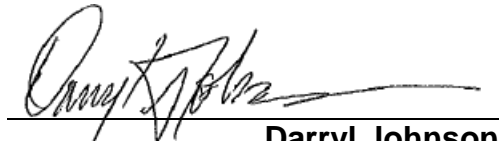
1. Protective services.
2. Foster care.
3. FIP/EFIP-related.

The testimony from the Department was that Claimant was categorically eligible because the child was in foster care. That evidence was not explored, and no determination is made whether Claimant fits that category. It is mentioned only to acknowledge that the Department was apparently not contesting eligibility. Instead, the issue from the Department is whether Claimant has demonstrated need. It is determined that the Claimant has not demonstrated the need for CDC. That is not to say that Claimant is unable to demonstrate need. If she compiles sufficient, suitable documentation, she might be able to demonstrate need if she reapplies. But, as of the time the Department made its finding, she had not produced the needed evidence.

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: **10/20/2014**

Date Mailed: **10/20/2014**

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:

