

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

IN THE MATTER OF:



Reg. No.: 14-010820
Issue No.: 1010
Case No.: [REDACTED]
Hearing Date: October 02, 2014
County: Oakland (04)

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 October 2, 2014, from Pontiac, Michigan. Participants included the above-named Claimant. [REDACTED] Specialist, testified on behalf of Department of Human Services (DHS).

ISSUE

The issue is whether DHS properly terminated Claimant's Family Independence Program (FIP) eligibility due to Claimant exceeding federally-funded FIP time limits.

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 FIP benefit recipient.
2. Claimant received 60 months of federally funded FIP benefits as of 10/2011.
3. Claimant continued to receive FIP benefits on the basis of being medically deferred from federally funded FIP lifetime limits.
4. On an unspecified date, DHS sent Claimant's medical packet (Exhibits 6-26) to the Medical Review Team (MRT).
5. On [REDACTED], MRT determined that Claimant was not disabled and was capable of attending Partnership. Accountability. Training. Hope. (PATH) (see Exhibits 1-2).
6. On [REDACTED], DHS terminated Claimant's FIP eligibility, effective 9/2014 due to Claimant exceeding federally-funded FIP lifetime limits (see Exhibits 34-38).

7. On 8/18/14, Claimant requested a hearing to dispute the FIP benefit termination.

CONCLUSIONS OF LAW

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 USC 601, *et seq.* DHS administers the FIP pursuant to MCL 400.10, *et seq.* and MAC R 400.3101-3131. DHS policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT). Prior to a substantive analysis, multiple procedural issues must first be addressed.

Claimant requested a hearing to dispute a termination of FIP benefits, effective 7/2014. It was not disputed that DHS terminated Claimant's FIP eligibility because Claimant exceeded the time limit to receive federally-funded FIP benefits.

The Family Independence Program (FIP) is not an entitlement. BEM 234 (7/2013), p. 1. FIP requires an individual to meet all eligibility criteria required for the receipt of federal or state funds or determined necessary by the department to accomplish the goals of the program. *Id.* Time limits are essential to establishing the temporary nature of aid as well as communicating the FIP philosophy to support a family's movement to self-sufficiency. *Id.* The message that FIP is temporary is an important part of how Michigan helps parents take advantage of the opportunities for work as well as self-sufficiency and independence. *Id.* Families receiving FIP are to engage in activities that will help them gain financial independence and increase self-sufficiency.

Temporary Assistance to Needy Families (TANF) is the federal grant that funds the overwhelming majority of FIP assistance issued by the Department. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) established a five-year (60-month) lifetime limit on assistance for adult-headed families. *Id.* The begin date for the federal time limit counter is October 1, 1996. In line with the goals of the Family Independence Program, any group that includes an individual who has received 60 months or more of FIP is not eligible for the FIP program. *Id.*

DHS presented Claimant's federally-funded FIP benefit issuance history (Exhibits 31-33). The documents verified that Claimant received 60 months of federally-funded FIP benefits through 10/2011. Claimant did not object to the count. It is found that Claimant received the lifetime maximum of federally-funded FIP benefits.

Claimant's testimony suggested that she continued receiving FIP benefits after 10/2011. DHS policy allows some clients to continue to receive FIP benefits despite meeting federally-funded FIP benefit lifetime limits.

The federal 60-month time limit policy does not apply to individuals who met the following criteria on January 9, 2013:

- an approved/active ongoing FIP EDG; and

- who was exempt from participation in the PATH program for:
 - domestic violence
 - establishing incapacity
 - incapacitated more than 90 days
 - aged 65 or older
 - care of a spouse with disabilities
 - care of a child with disabilities.

BEM 234 (7/2013), p. 2.

DHS testimony suggested that Claimant was exempt from federally funded time limits because of an alleged medical disability. DHS testimony also suggested that Claimant's case was overdue for a determination to justify continuing Claimant's medical exemption from federal time limits. Claimant's specialist testified that medical documents supporting disability were received from Claimant and forwarded to the MRT (see Exhibits 6-26). The MRT determined that Claimant was not disabled and should not be exempt from PATH participation. A referral to participate with PATH was unnecessary because Claimant met the lifetime limit for federally-funded FIP benefits. DHS issued one more month of FIP benefits before terminating Claimant's FIP eligibility.

Claimant contended that DHS should make a second disability determination based on newly acquired physician documents (Exhibits A1-A6). It was not disputed that Claimant did not submit the documents to DHS before the denial of PATH deferral. DHS policy does not allow for a new determination of disability concerning PATH participation once a client reaches federal time limits and the deferral ends.

Claimant's hearing statements implied that she expected a hearing to determine if the MRT decision was proper. DHS policy specifically prohibits such an administrative determination when it pertains to PATH participation.

When a deferral is not granted, it is not a loss of benefits, termination or negative action. BEM 230A (10/2013), p. 20. When a client requests a hearing based on not being granted a deferral, (DHS is to) be sure to advise the client at the pre-hearing conference and use the DHS 3050, Hearing Summary, to inform the administrative law judge the action did not result in a loss of benefits or services. *Id.* (DHS is to be) sure the client understands the time to file a hearing is once he/she receives a notice of case action for noncompliance. *Id.*

It should also be noted that Claimant testified that she is in the midst of her third go-around with the Social Security Application concerning disability. Claimant testified that she lost a SSA administrative hearing in 2011.

After MRT determines a recipient meets the established disability criteria, DHS is to verify the following:

- Update the Disability Determination- MRT and Employment Services screen to indicate the recipient is Incapacitated Greater than 90 Days.
- The CASH-EDG Summary will show the Deferral/Participation Reason of Incapacitated more than 90 days.

- If the recipient has not already done so, he/she **must** apply for Retirement Survivors Disability Insurance/Supplemental Security Income (RSDI/SSI). Verify the application/appeal is pending; see Verification Sources later in this item. BEM 230A (10/2013), p. 15.

Claimant's previous denials for SSA benefits are consistent with MRT's denial of continued medical deferral. Technically, an MRT determination may have been unnecessary. DHS could have relied solely on the denial of disability by SSA. Based on the presented evidence, it is found that DHS properly terminated Claimant's FIP eligibility.

It should be noted that Claimant may still pursue cash assistance benefits from DHS. Claimant would be restricted to receiving State Disability Assistance (SDA) benefits.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly terminated Claimant's FIP eligibility effective 9/2014. The actions taken by DHS are **AFFIRMED**.



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

Date Signed: **10/22/2014**

Date Mailed: **10/22/2014**

CG / hw

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:

