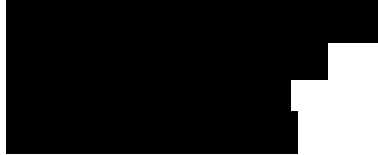


**STATE OF MICHIGAN  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES**

**IN THE MATTER OF:**



Reg. No.: 14-004335  
Issue No.: 3001, 6001  
Case No.: [REDACTED]  
Hearing Date: July 16, 2014  
County: Ingham

**ADMINISTRATIVE LAW JUDGE:** Kevin Scully

**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 July 16, 2014, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED] (formerly known as [REDACTED]). Participants on behalf of the Department of Human Services (Department) included [REDACTED].

**ISSUE**

Did the Department properly determine the Claimant's eligibility for Food Assistance Program (FAP) and Child Development and Care (CDC) benefits?

**FINDINGS OF FACT**

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. On April 10, 2014, the Claimant applied for Child Development and Care (CDC) benefits and was an ongoing Food Assistance Program (FAP) recipient.
2. The Claimant submitted two Verification of Employment (DHS-38) forms and three Self-Employment Income and Expense Statement (DHS-431) forms as verification of employment.
3. On May 14, 2014, the Department notified the Claimant that it had denied her Child Development and Care (CDC) application and closed Food Assistance Program (FAP) benefits due to excess income.
4. On May 27, 2014, the Department received the Claimant's request for a hearing, protesting the denial of her Child Development and Care (CDC) application and closure of her Food Assistance Program (FAP) benefits.

## 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 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 273. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001 to .3015.

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.

On April 10, 2014, the Claimant applied for Child Development and Care (CDC) benefits. The Department requested verification of the Claimant's income for the previous 90 days. The Claimant provided the Department with two Verification of Employment (DHS-38) forms and three Self-Employment Income and Expense Statement (DHS-431) forms. One of the forms listed group member [REDACTED] as both an employee and the employer. This group member is listed as the president of the [REDACTED] [REDACTED]. The self-employment forms submitted to the Department list group member [REDACTED] as an owner of [REDACTED]. The Claimant failed to provide verification of expenses incurred by [REDACTED].

The Department treated the gross income of [REDACTED] as self-employment income and denied the Claimant's Food Assistance Program (FAP) application.


The Claimant did not dispute that the income of [REDACTED] would cause her to be ineligible for the Child Development and Care (CDC) and Food Assistance Program (FAP), but argued that it was a mistake to list group member [REDACTED] as an owner of the company. The Claimant argued that the income of [REDACTED] should not be treated as self-employment income and that only his wages paid to him by the company represents their income.

This Administrative Law Judge finds that the Department reasonably relied on the documents provided by the Claimant to determine that her benefits group is not eligible for the Child Development and Care (CDC) and Food Assistance Program (FAP) due to excess income. There is nothing about the documents submitted by the Claimant that suggests that they are inherently inaccurate. The Department has no duty to request additional information where clients are clearly ineligible. Department of Human Services Bridges Administrative Manual (BAM) 130 (July 1, 2014), p 1.

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 denied the Claimant's Child Development and Care (CDC) and closed her Food Assistance Program (FAP) benefits.

**DECISION AND ORDER**

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

  
\_\_\_\_\_  
Kevin Scully  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: **7/22/2014**

Date Mailed: **7/22/2014**

KS/las

**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:

