

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

IN THE MATTER OF:

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████████████████████

Reg. No.: 14-005245
Issue No.: 6001
Case No.: ██████████
Hearing Date: September 24, 2014
County: WAYNE (18)

ADMINISTRATIVE LAW JUDGE: Jacquelyn A. McClinton

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 September 24, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included ██████████, Eligibility Specialist, and ██████████, Assistant Payment Supervisor.

ISSUE

Did the Department properly close Claimant's Child and Development Care (CDC) benefits because she exceeded the allowable income limit?

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 recipient of CDC benefits.
2. On May 13, 2014, Claimant's case was selected for audit.
3. The audit determined that Claimant was erroneously receiving a categorically eligible status and found her to be income ineligible for CDC benefits.
4. On June 2, 2014, the Department sent Claimant a Notice of Case Action notifying her that her CDC benefits would close effective June 15, 2014.
5. On June 13, 2014, Claimant filed a Request for Hearing disputing 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), Department of Human Services Reference Tables Manual (RFT), and Department of Human Services Emergency Relief Manual (ERM).

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.

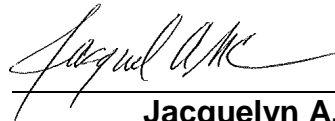
Claimant had been an ongoing recipient of CDC benefits. On May 13, 2014, Claimant's case was selected for audit by the Department. Following the conclusion of the audit, the Department determined that Claimant was not eligible to receive CDC benefits. As a result, on June 2, 2014, the Department sent Claimant a Notice of Case Action notifying her that her CDC benefits would close effective June 15, 2014. The Department explained that it had erroneously placed Claimant in a categorically eligible status. Under Department policy, to be categorically eligible the group must have a protective services case, foster case or be a recipient of FIP/EFIP-related benefits. BEM 703 (August 2014), p. 14. When a group has been determined to be categorically eligible, an income determination is not required. *Id.* The Department testified that Claimant did not meet any of the criteria under policy that would allow her to be considered categorically eligible.

Additionally, Department policy holds that clients with a group size of two who earned more than \$1607.00 per month are not eligible for CDC benefits. RFT 270 (April 2014), pg. 1. The Department presented a budget using Claimant's income at the time of application. The Department determined that Claimant's earned income was \$1,770.00. However, the Department presented Claimant's paystubs at the time of application which computed to an earned income of \$1,647.25. Claimant has received \$684.00 in child support each month at the time of application and continues to receive that per month. Accordingly, at the time of application, Claimant's total income was \$2,331.25. Claimant presented her current pay stubs. Claimant testified that on September 5, 2014 she received pay in the gross amount \$772.75. Claimant stated that on September 19, 2014 she received pay in the gross amount of \$668.25. Once Claimant's child support payment is added to her income, her current monthly income is approximately \$2,125.00. Therefore, it is found that Claimant's income at the time of application as well as her current income exceeds the allowable income to receive CDC benefits. As such, Claimant was not entitled for CDC benefits at the time of application and continues to be ineligible for CDC benefits based upon her current monthly income.

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 policy when it closed Claimant's CDC benefits.

DECISION AND ORDER

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



Jacquelyn A. McClinton
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: **10/7/2014**

Date Mailed: **10/7/2014**

JAM / cl

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: [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]