

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

IN THE MATTER OF:

██████████
██████████████████
██████████████████████████████

Reg. No.: 14-018025
Issue No.: 1001
Case No.: ██████████
Hearing Date: March 11, 2015
County: Wayne-District 19

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

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 March 11, 2015, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included ██████████ ██████████, Hearing Facilitator.

ISSUE

Did the Department properly deny Claimant's application for Family Independence Program (FIP) 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 September 10, 2014, Claimant applied for FIP benefits.
2. On an unknown date, Claimant's application was denied for failure to provide verification of her children's school attendance.
3. The Department subsequently concluded that Claimant had timely supplied the requested verification of school attendance and reregistered and reprocessed Claimant's FIP application.
4. On November 11, 2014, Claimant began employment.

5. On December 6, 2014, Claimant submitted a paystub showing that she was paid \$220.
6. On December 10, 2014, the Department sent Claimant a Notice of Case Action denying her application because her income exceeded the limit for eligibility.

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 Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Family Independence Agency) administers FIP pursuant to 45 CFR 233-260, MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3101 to .3131.

Claimant requested a hearing concerning the denial of her FIP application. At the hearing, Claimant testified that she had applied for, and been denied, FIP on three occasions. According to Claimant, her first application, submitted on September 10, 2014, was denied because she had failed to attend a PATH program, the second application was denied because she had failed to verify her children's school attendance, and the third application was denied for excess income. The Department testified that it only had one application on file, the September 10, 2014 application which it testified was reregistered and reprocessed after the Department became aware that Claimant had, in fact, timely submitted verification of school attendance. According to the Department, the December 10, 2014 Notice of Case Action denying Claimant's FIP application was tied to the September 10, 2014 application. Accordingly, the September 10, 2014 application is determined as the application at issue in this case.

In order to receive FIP benefits, a client must establish that financial need exists. BEM 518 (July 2013), p. 1. Financial need is established, in part, when an applicant passes the qualifying deficit test. BEM 518, p. 1 At application, the months subject to the qualifying deficit test are the first two application months in which the group could be eligible for an assistance payment. BEM 518, p. 1. If the group is ineligible at application due to excess income but a change is expected for the next benefit month, the second month's benefit determination is processed and the application is not denied if the group is eligible. BEM 518, p. 3.

In this case, the Department concluded that Claimant was income ineligible for FIP benefits based on her employment income from [REDACTED]. Claimant reported on November 25, 2014 that she had begun employment of 24 hours weekly on November

10, 2014. There was no evidence presented that, prior to that time, Claimant had any income. The Department did not present any evidence showing that it calculated Claimant's income eligibility for the application month (September 2014) or the month after (October 2014). Therefore, the Department did not act in accordance with Department policy when it denied Claimant's application for excess income.

DECISION AND ORDER

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

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Reregister and reprocess Claimant's September 10, 2014 application;
2. Issue supplements to Claimant for any FIP benefits she was eligible to receive from September 10, 2014 ongoing; and
3. Notify Claimant in writing of its decision.



Alice C. Elkin
Administrative Law Judge
for Nick Lyon, Interim Director
Department of Human Services

Date Signed: **3/13/2015**

Date Mailed: **3/13/2015**

ACE / tlf

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 48909-8139

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