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

IN THE MATTER OF:		
	Reg. No.: Issue No.: Case No.: Hearing Date: County:	14-001505-RECON TITLE IV-E June 17, 2015 DELTA
ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris		
HEARING DECISION		
Following the Michigan Department of Health and Human Services' ("MDHHS") Request for Reconsideration and or Rehearing, and granting thereof by Order Granting Request for Rehearing signed February 3, 2015 pursuant to MCL 24.287, this matter is before the undersigned Administrative Law Judge for a de novo hearing 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; and Mich Admin Code, R 792.11002. After due notice, a 5 way telephone hearing was held on June 17, 2015, from Detroit, Michigan.		
The Respondent, Department of Health and Human Services (Department), was represented by , Esq., Assistant Attorney General for the State of Michigan, Health, Education & Family Services Division. Appearing as witnesses for the Respondent were , Child Welfare Funding Specialist, , Child Welfare Funding Specialist (Delta County DHS); Manager Federal Compliance Division Title IV-E and Compliance Division.		
Participants on behalf of the Petitioner, Tribal Attorney, and the Hannahville Indian Community.		, Esq. behalf of Petitioner I Services Manager,
Pursuant to agreement by Counsel for the parties, the hearing involving this case and		

ISSUE

three companion cases were consolidated for hearing, and one hearing record was

(Reg. No 15-001509),

(Reg. No.14-001511).

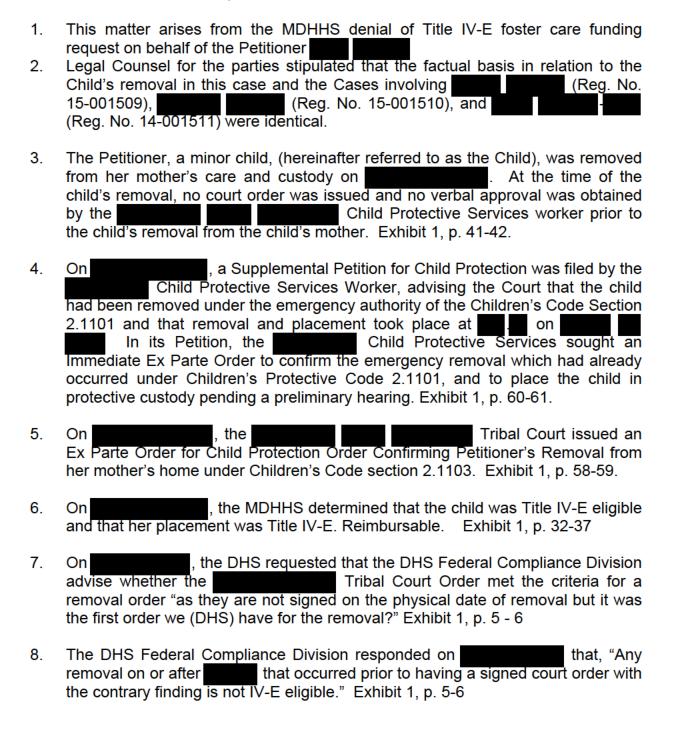
Did the Department properly deny Petitioner's request for Title IV-E funding?

made. The companion cases were

(Reg. No.15-001510) and

FINDINGS OF FACT

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



9. On the DHS issued a Notice of Case Action denying Petitioners Title IV-E funding, indicating that the court order does not contain a finding with Petitioners' case specific documentation that it is contrary to the Child's welfare to remain in the home. (On the date of physical removal from the home). Exhibit 1, p. 3-4

10.On Tribal Prosecutor filed a timely request for hearing regarding the Department's denial of Title IV-E funding. Exhibit 1, p. 1

CONCLUSIONS OF LAW

Department policies are contained in the Department of Health and Human Services Children's Foster Care Manual, FOM, and Title IV-E requirements, 42 USC 670, et seq. The Adoption Assistance and Child Welfare Act of 1980. Title IV-E is The Foster Care Program implemented by the Social Security Act Section 401 et seq., as amended and implemented under the Code of Federal Regulations at 45 CFR parts 1355, 1356 and 1357. Department policies are also contained in the Department of Health and Human Services Tribal Agreements Manual, (TAM), the Children's Protective Services Manual (PSM) (June I, 2014). Department policies are also contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), BAM 600. (July 1, 2014).

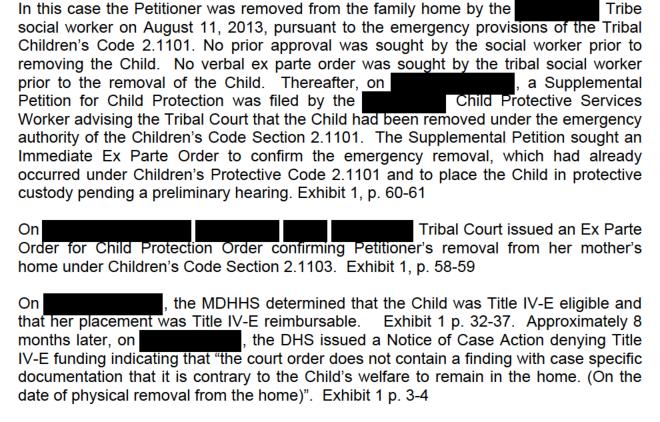
The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code, MAC R 400.901-400.951. An opportunity for a hearing shall be granted to an applicant who requests a hearing because his or her claim for assistance has been denied. MAC R 400.903(1). Clients have the right to contest a department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The department will provide an administrative hearing to review the decision and determine the appropriateness of that decision. BAM 600 (April 1, 2015)

Legal authority for DHS to provide, purchase or participate in the cost of out-of-home care for a child has been established in state law: the juvenile code, MCL 712A.1 et seq.; the Social Welfare Act, MCL 400.1 et seq.; the Michigan Children's Institute Act, MCL 400.201 et seq.; the Michigan Adoption Code, MCL 710.21 et seq.; and the Youth Rehabilitation Services Act, MCL 803.301, et seq. These laws specify the method of DHS participation in the cost of care. The legislature has established a system whereby either:

1. The local court may provide out-of-home care services directly and request reimbursement by the state (child care fund).

2. The court may commit the child to the state and reimburse the state for the cost of care provided (state ward board and care).

Under option #1, the court may request that DHS provide casework service through a placement and care order. FOM 901-6 (May 1, 2014) p. 1.



In this case, the Respondent MDHHS argues that Petitioner is ineligible for Title IV-E funding because the Tribal Court Order confirming her removal did not conform to Title IV-E funding requirements and MDHHS policy. Specifically, Respondent asserts that the court order removing the Child from the home must coincide with the removal, and thus the order of removal must be obtained prior to the removal. The Respondent also asserts that a required finding that failure to remove the Child is contrary to the welfare of the Child was not made. The Department characterized this second reason as a secondary argument. 42 USC 672 (a)(2)(A)(ii) FOM 902, p.21

CONTRARY TO THE WELFARE

Upon review of its initial approval of Title IV-E funding, the Department rescinded the approval and issued a Notice of Case Action advising the Tribe on that because the court order does not contain a finding with case specific documentation

that it is contrary to the Child's welfare to remain in the home (on the date of physical removal from the home. Exhibit 1, p. 3-4

In order to determine whether the Contrary to the Welfare, or in the Child's Best Interest findings were made in the order in question, in this case scrutiny of the Ex Parte Order for Child Protection Confirming Removal must be made. Paragraph 7 of the Order provides the following language:

"It is contrary to the welfare and best interests of the child to remain in the home and legal custody of Francesca Smith for the following reasons:

There is currently an open protective services investigation into the alleged physical altercation that occurred between Forensic interviews of all three children present need to be injuries allegedly resulting from the fight included: conducted. "muddy, bruised (left and right) bleeding (left) knees, the top of her left ear was turning purple and began to swell up, one scrape on the right side of her head hear the temple which was bleeding, a scrape on the left side of her head, near her temples which was bleeding, several swollen and sore areas on her scalp, a small triangular shaped bruise left hearing was missing and there on the back of her neck. was a small puncture would (wound) behind her left ear, where it looked like her hearing had gone into her skin. complained of having a headache and feeling dizzy."

The Court also ordered (paragraph 14) that all contact and parenting time between (mother) and her child be immediately suspended pending results of protective services investigation. Exhibit 1, p. 58-59.

After a review of the plain language of the Courts order in question, it is clear the Court made a finding that it was contrary to the Child's welfare to remain in the home, and thus the Department's contention that the Order lacked a sufficient finding that petitioner's removal was contrary to the Child's welfare cannot be sustained.

The issue which remains is whether Department policy and Federal law and regulations require that the order authorizing a child's removal must coincide with the removal of the Child from the home in order for petitioners to be eligible for Title IV-E funding.

Federal regulations found in 45 CFR 1356.21 provide:

(c) Contrary to the welfare determination. Under section 472(a)(2) of the Act, a child's removal from the home must have been the result of a judicial determination (unless the child was removed pursuant to a voluntary placement agreement) to the effect that continuation of residence in the home would be contrary to the welfare, or that placement would be in the best interest, of the child. The contrary to the welfare determination must be made in the first court ruling that sanctions (even

temporarily) the removal of a child from home. If the determination regarding contrary to the welfare is not made in the first court ruling pertaining to removal from the home, the child is not eligible for title IV-E foster care maintenance payments for the duration of that stay in foster care. (emphasis supplied).

- (d) *Documentation of judicial determinations.* The judicial determinations regarding contrary to the welfare, reasonable efforts to prevent removal, and reasonable efforts to finalize the permanency plan in effect, including judicial determinations that reasonable efforts are not required, must be explicitly documented and must be made on a case-by-case basis and so stated in the court order.
- (1) If the reasonable efforts and contrary to the welfare judicial determinations are not included as required in the court orders identified in paragraphs (b) and (c) of this section, a transcript of the court proceedings is the only other documentation that will be accepted to verify that these required determinations have been made.
- (2) Neither affidavits nor nunc pro tunc orders will be accepted as verification documentation in support of reasonable efforts and contrary to the welfare judicial determinations except for a Tribal title IV-E agency for the first 12 months that agency's title IV-E plan is in effect as provided for in section 479B(c)(1)(C)(ii)(I) of the Act.
- (3) Court orders that reference State or Tribal law to substantiate judicial determinations are not acceptable, even if such law provides that a removal must be based on a judicial determination that remaining in the home would be contrary to the child's welfare or that removal can only be ordered after reasonable efforts have been made. (emphasis supplied).

The Federal regulatory requirements clearly require that a court ruling must sanction (even temporarily) the removal, and requires the removal from the home be a result of a judicial determination.

The common meaning of the word sanction is: "give official permission or approval for (an action: (verb) synonyms authorize, permit, allow". Oxford Dictionary (August 10, 2015); found online at:http//www.oxforddictionaries.com/definition/english/sanction?q=s anction+. Thus the federal regulations require that a court order must occur at the time of the approval, permission for an action, or authorization for the removal.

MDHHS policy mirrors federal regulatory requirements and provides:

Continuation In The Home Is Contrary To The Child's Welfare Determination

Federal regulations require the court to make a contrary to the welfare or best interest determination in the first court order removing the child from his/her home for title IV-E eligibility. The court order must coincide with removal of the child. Examples of the first court order removing the child from his/her home include:

JC 05b - Order to take child(ren) into protective custody (child protective proceedings).

JC 05a - Order to apprehend and detain (delinquency proceedings/minor personal protection).

JC 11a - Order after preliminary hearing (child protective proceedings).

JC 10 - Order after preliminary hearing/inquiry (delinquency/personal protection).

JC 75 - Order following emergency removal hearing (child protection proceedings).

Note: The court can make the contrary to the welfare finding on any order as long as the determination is made.

The contrary to the welfare determination must also be made within the **first** court order for each new placement episode, regardless of whether a new petition is filed or not. The child is **ineligible for the current placement episode** if the finding is not made in the first order for **each** placement episode. The determination must be explicit and made on a case by case basis.

Note: The order cannot be amended by a subsequent order, such as a nunc pro tunc order, which amends the original order to meet the contrary to the welfare finding requirement; see 45 C.F.R. Sec. 1356.21(d). FOM 902 (November 1, 2012) p.19-20

The Tribal Attorney confirmed that there was no court order authorizing the Child's removal prior to the removal and that the Ex Parte Order was in conformance with tribal law which requires an order be sought the next day.

The Department contends that the Ex Parte Order Confirming Petitioners Removal issued by the Tribal Court did not coincide with the Petitioners physical removal as required by Department policy and does not authorize the removal, but only confirms the removal (the box authorizing removal is not checked). The Oxford Dictionary meaning of the word coincide means, "at or during the same time: synonyms: occur simultaneously, happen together, be concurrent. See also Merriam-Webster definition the word coincide, "to happen at the same time as something else". Oxford Dictionary(August 10, 2015), found online at: http://www.oxforddictionaries.com/definition/English/sanction?q=coincide+;www.oxford dictionaries.com. Merriam-Webster Dictionary (August 10, 2015), found online at a;http:www.merriam-webster.com/dictionary /coincide).

Lastly, the Department's Office of Child Protective Services requires that its protective services workers cannot receive custody of a child for removal from the home without a **written** court order (in writing communicated electronically or otherwise) authorizing the specific action of removal Children's Protective Services Manual, PSM 715-2 (June 1, 2014) p. 1 provides:

CPS cannot receive custody of a child from law enforcement or remove a child from his/her home or arrange emergency placement without a **written** court order (in writing, communicated electronically or otherwise) authorizing the specific action even if requested by law enforcement. When DHS is contacted by law enforcement seeking the assistance of CPS in the removal of a child, CPS must immediately contact the designated judge or referee.

Reviewing the Department's policy referenced above found in FOM 902, PSM 715-2 and the Federal regulations found in 45CFR 1356.21 it is clear that all three are consistent and require a court order finding that the removal is prior to the removal of a child from a home.

Lastly reference should be made to the Child Welfare Policy Manual Question 8 as it too is consistent with the meaning of "coincide" and the requirement that the removal order coincide with the agency's action to remove a child:

8. Question: Once a court order is issued with a judicial determination that remaining in the home is contrary to the child's welfare, does the State have to actually remove the child at that time and place the child in child foster care?

Answer: Yes. Section 472(a)(2) of the Social Security Act predicates a child's receipt of title IV-E funds on the child's removal from the home as the result of either a voluntary placement agreement or a judicial determination that to remain at home is contrary to the child's welfare.

The judicial Determination that results in the child's removal must coincide with (i.e. Occur at the same time as) the agency's action to physically or constructively remove the child, ...Child Welfare Policy Manual, Section 8.3A.6 Title IV-E, Foster Care Maintenance Payments Program, Eligibility, contrary to the welfare. (March 26, 2015) p. 149

Prior Department policy which is <u>not</u> applicable in this case because the removal occurred on did provide that prior verbal approval of removal by a judge or referee, subject to certain conditions, would not jeopardize Title IV-E Funding prior to November 1, 2012 and also required the first written order following the verbal consent must be obtained within 24 hours or on the next business day following weekends or holidays. FOM 902, p.21. This policy only applied to removals prior to November 1, 2012 and is reference to demonstrate that the policy in effect at the time of the instant removal had changed significantly. The current Department policy does not allow verbal orders. FOM 902. Although this prior policy is not applicable to the instant matter, the requirements of the prior policy would also not have been considered complied with as there was no verbal approval sought from a judge or referee prior to the removal.

It is generally accepted law that the MDHHS cannot make a claim for federal funds that do not meet the federal statutory and regulatory requirement or MDHHS policy as approved in the State Plan for Title IV-E. Title IV-E funding is a source of financial support for children placed in foster care. FOM 902, (May1, 2014) p.1. If the removal of a child does not meet the federal statutory and regulatory requirements Title IV-E Funding must be denied. The Order Confirming their removal was not obtained to coincide with their removal and more importantly only confirmed and did not authorize the removal of the children.

At the hearing the Tribal Attorney Duncan confirmed that there was no Tribal Court Order authorizing the Child's removal prior to the removal. I was also asserted on behalf of Petitioner that the Ex Parte Order issued by the Tribal Court was in conformance with tribal law which requires an order be sought the next business day. There was no evidence presented that the Tribal Protective Services worker attempted to contact the Court ex parte **before** the removal as mandated by the Children's Code Section 2.1103, nor was any documentation of any attempt to contact the court documented or provided at the hearing. The Tribal Court is held only on Wednesdays which the Tribe considers the next business day regardless of when the removal occurs.

The Hannahville Tribal Children's Code section 2.1103 allows for emergency removal without a court order by either a law enforcement officer or the tribe's protective services worker if such person has probable cause to believe the child is a child in need of care, and; a. Failure to remove the child may result in a substantial risk of death, serious injury or serious emotional harm, Section 2,1201 Notice to the Children's Court requires: After a child is removed from his home, the person who removed the child shall attempt to contact the Children's Court within six (6) hours. The attempt to contact the Court shall be documented. Actual notice to the Court shall be made, by the removing person no later than 12:00 p.m. (noon) the next Court working day. Exhibit 2, p. 2-3

Based upon the testimony and evidence provided at the hearing it is determined that the removal of the Petitioners was not in conformance with the Tribal Children's Code. The evidence demonstrated no prior contact with the Tribal Court was made and no attempt to contact the Tribal Court was documented. Thus, the Petitioners cannot prevail on the argument that they conformed to the Tribal Children's Code.

It is generally accepted law that the MDHHS cannot make a claim for federal funds that do not meet the federal statutory and regulatory requirement or MDHHS policy as approved in the State Plan for Title IV-E. Title IV-E funding is a source of financial support for children placed in foster care. FOM 902, (May1, 2014) p.1. Therefore it is determined that the Department properly denied the Petitioners Title IV-E funding because the removal of Petitioner Child was not in compliance with Department policy and the federal regulations governing removal. The Order confirming their removal was not obtained to coincide with their removal, and more importantly only confirmed, and did not authorize the removal of the Children.

Michigan Courts have held that the plain language of the statute controls in articulating the standard of review applicable to an agency's interpretation of its own policy directive. *Iscaro v Dep't of Corr., 2013 Mich App Lexis 928; see also SBC Mich v PCS (In re Rovas complaint 482 Mich 90, 108 (2008).* In Iscaro the Supreme Court explained that "the agency's interpretation is entitled to respectful consideration, and... should not be overruled without cogent reason." The Court also added that the agency interpretation can be helpful for the construction of "doubtful or obscure provisions".

In reviewing Department policy, the plain language, found in both FOM 902 and PSM 715-2 and the Federal Regulations all of which are consistent and clear and when read together, require a written order coinciding with a child's removal from the home. No removal may occur unless an order authorizing that removal is granted.

The Department and the agreement ("Agreement") to allow the Tribe to cooperate in the provision of Child Welfare Funding Services. The Agreement is dated July 28, 1999. Exhibit 2 p. 2-6 The Agreement provides in pertinent part:

II Terms and Conditions

To assure compliance with federal requirements prescribed by and through Title IFV-B and IV-E of the Social Security Act.

- B. The [Department of Health and Human Services] shall:
- 1. Accept Tribal Court orders and referrals in the same manner that state juvenile court orders are accepted.
- 3. Accept Tribal Court orders on children who are temporary Tribal Court wards and whose parental rights have been terminated. TAM 235, (April 1, 2013) p. 1-5
- 5. Provide Title IV-E foster care payment... in accordance with determined child and service provider eligibility and established foster care rate.
- 8. Pay 50% of the cost of care of a Temporary or Permanent Ward, if the child or placement is not otherwise eligible for IV-E funding, with the Tribe contributing 50%.

The clear intent of the agreement requires as a condition that the child be deemed eligible for Title IV-E funding as determined by the Department.

As the Hannahville Indian Community Tribe elected to pursue Title IV-E funds through the State of Michigan, Department of Health and Human Services, it must comply with policy that the State is required to follow and apply in determining Title IV-E eligibility. This same requirement is imposed on all Michigan counties as well who elect to pursue Title IV-E funds through the Department.

The Tribal Counsel, argued that State Plan was changed November 1, 2012 without consultation from the tribe as required by federal law and that its actions as regard the

children in this case comply with the provisions of the Hannahville Children's Code and with the DHS policies and procedures for Title IV-E funding as disclosed and known to the Tribe, its agencies and Department's as well as the Tribal Court, at the time said court order was entered. Exhibit 3 and Hearing Request

Counsel for the Tribe also argued that said change in the State plan should not equitably be imposed in this instance, as no action was taken by the Department with respect to the Title IV-E ineligibility until two years after the Plan change. The undersigned has no equitable jurisdiction or authority in this matter. In the absence of an express legislative conferral of authority, an administrative agency generally lacks the powers of a court of equity. Delke v Scheuren, 185 Mich App 326, 332; 460 NW2d 324 (1990). Because the Legislature has not conferred equitable authority to MAHS with respect to hearings relating to Department actions in this matter, the undersigned is precluded from addressing equitable arguments.

Counsel for the Tribe argued that the removal met all the requirements of tribal law and conformed to the tribal law and Children's Code and therefore the removal actions must be given full faith and credit under federal and state law. No separate legal action, request for hearing, or formal briefing of this issue was presented and thus the basis for this assertion and legal support therefor was not provided or briefed, and thus cannot be responded to by the undersigned. In addition, it is determined that the evidence did not demonstrate that the Tribe complied with the requirements of the Children's Code provisions as previously discussed above.

Testimony from the Department indicated that Department policy was followed and all policy changes are sent to the tribes as part of the review process prior to adoption as part of the internal review process. Monthly updates are provided to the tribes and then are disseminated by the tribes. No formal objection or grievance was raised with respect to the policy in question regarding removal. The Tribal Attorney could not confirm that the policy was not sent to the Hannahville Tribe, but said she did not receive it and has not received it during her tenure. The Department also meets quarterly and conducts State Partnership meetings with all Michigan Tribes to review and explain changes in the State Plan. Typically the meetings are held at one of the Tribal locations, and around the State. All Department policies are available online and are in the public domain. This being the case, it is determined that the Tribe is required to conform to the Department policy in effect at the time of removal and consult such policy, as it is available online.

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 Petitioner's Title IV-E funding eligibility.

DECISION AND ORDER

Accordingly, the Department's decision is

AFFIRMED.

Lynn M. Ferris

Administrative Law Judge for Nick Lyon, Director

Department of Health and Human Services

Ty M. Serris

Date Signed: 8/18/2015

Date Mailed: 8/18/2015

LMF / 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 copy of the claim or application for appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Hearing Decision from MAHS within 30 days of the mailing date of this Hearing Decision, or MAHS <u>MAY</u> order a rehearing or reconsideration on its own motion. MAHS <u>MAY</u> 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

