

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

IN THE MATTER OF:

[REDACTED]

MAHS Reg. No.: 15-009579
Issue No.: 7001
Agency Case No.: [REDACTED]
Hearing Date: August 4, 2015
County: Kent (1) Franklin

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

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; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on August 4, 2015, from Lansing, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Health and Human Services (Department) included [REDACTED] FIM and [REDACTED] Case Manager.

ISSUE

Did the Department properly deny Claimant's Direct Support Services (DSS) car purchase request?

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 requested DSS money for a car purchase.
2. On May 6, 2015, the Department denied Claimant's DSS request for lack of need and for failing to submit required verifications.
3. Claimant requested hearing on June 1, 2015, disputing the denial of DSS for a car purchase.

CONCLUSIONS OF LAW

Department policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Department of Health and Human Services Bridges Eligibility Manual (BEM), Department of Health and Human Services Reference

Tables Manual (RFT), and Department of Health and Human Services Emergency Relief Manual (ERM).

Direct Support Services (DSS) is established by the Social Welfare Act, MCL 400.1-.119b. The program is administered by the Department pursuant to MCL 400.10 and 400.57a and Mich Admin Code R 400.3603.

Direct Support Services (DSS) are goods and services provided to help families achieve self-sufficiency. DSS **includes** Employment Support Services (ESS) and Family Support Services (FSS) that directly correlates to removing an employment-related barrier.

There is no entitlement for DSS. The decision to authorize DSS is within the discretion of the DHS or PATH program. BEM 232

Vehicle Purchase FIP, CDC, MA, FAP Family

Authorize up to \$2,000 to purchase, not lease, a vehicle to be used as a participant's primary means of transportation for work or employment-related activities. For FIP recipients, refer to Clients Served by PATH earlier in this item. Vehicle purchase is limited to once in a client's lifetime. Prior approval through Bridges is required for this service.

In a two-parent family, if both parents are required to participate and need separate vehicles, a policy exception must be requested prior to approving a vehicle purchase for a second parent.

A vehicle may be purchased for a currently employed client if the client needs a vehicle to accept a verified offer of a better job; or needs a vehicle to retain current employment; and has a demonstrated ability to maintain a job.

A vehicle may be purchased for a client who is not currently employed if the client:

1. Has a demonstrated ability to maintain a job.
2. Needs a vehicle to accept a verified job offer.
3. Needs a vehicle to participate in family self-sufficiency activities that will prepare the client for employment.

In addition, ensure all of the following before authorizing the purchase:

- Public transportation is not reasonably available (such as, considering the location and hours of the employment, child care or long commute as defined as good cause in BEM 233A), and the person has no other means to reach the job site reliably.

- The client has the ability to afford any payments, insurance and other expenses associated with owning the vehicle.
- The client has a valid Michigan driver's license.
- Verify via the Secretary of State records that the client does not own an unusable vehicle
- The vehicle must be registered to an eligible group member and insured, at a minimum, for public liability and property damage (PLPD). Vehicle insurance, license plates, or vehicle registration are covered under Other ESS later in this item and do not reduce the \$2,000 lifetime limit.

A vehicle inspection by a licensed mechanic is required, and must be placed into the case file.

Vehicle purchases made by DHS are not exempt from use and sales tax collected by the Secretary of State.

Note: Any payment authorized by DHS for the inspection or sales tax is not included in the \$2,000 limit; see Other ESS in this item.

Before approving a vehicle purchase, the specialist must ensure that any additional payments above the allocation from the department are affordable by the client, and will in no way hinder the client's progress towards self-sufficiency and financial independence. BEM 232

In this case, Claimant requested Direct Support Services for a car purchase. Claimant intended to purchase a car from her father. The purchase price for the car was \$ [REDACTED]. Claimant paid her father \$ [REDACTED] and took possession of the car on March 17, 2015. Claimant provided the Department a copy of the cashier check she was to pay her father with. The Department discovered that Claimant had re-deposited the cashier check. Claimant stated that her sister loaned her the \$ [REDACTED] that went to her father, allowing her to put the cashier check back into her account. This part of the transaction raised suspicions with the Department. After reviewing the request again, the Department discovered that the Claimant already had possession of the car. Since she already had a car, the Department determined that she did not meet the need requirement for the DSS program. [REDACTED] testified that standard procedure would be for the buyer to take possession after the DHS payment was made to the seller. This Administrative Law Judge has limited powers to review the Department's actions with regard to this program. This Administrative Law Judge cannot find that the Department abused its discretion or acted improperly or in a discriminatory manner in denying Claimant's request. Therefore, the denial is upheld. BEM 232

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 Claimant direct support services for purchasing a car.

DECISION AND ORDER

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



Aaron McClintic
Administrative Law Judge
for Nick Lyon, Interim Director
Department of Health and Human Services

Date Mailed: **8/10/2015**

AM/jaf

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:

