

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

**IN THE MATTER OF:**

██████████  
██████████  
██████████

Reg. No.: 15-008637  
Issue No.: 6001  
Case No.: ██████████  
Hearing Date: June 29, 2015  
County: Wayne-District 15

**ADMINISTRATIVE LAW JUDGE: Zainab Baydoun**

**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 June 29, 2015, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Health and Human Services (Department) included ██████████, Eligibility Specialist.

**ISSUE**

Did the Department properly close Claimant's Child Development and Care (CDC) case on the basis that her gross income exceeded the 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 19, 2015, the Department sent Claimant a Notice of Case Action informing her that effective June 14, 2015, ongoing, her CDC case would be closed on the basis that her gross income exceeds the limit. (Exhibit A)
3. On May 26, 2015, Claimant requested a hearing disputing the Department's actions.

## **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).

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.

In order to be eligible for CDC benefits, the group must have gross income that falls within the income scale found in RFT 270. RFT 270 (August 2014), p.; BEM 703 (November 2014); BEM 205 (July 2013); BEM 525 (July 2013). The CDC income limit for Claimant's confirmed four person CDC group is \$2367. RFT 270, p.1.

According to the CDC-Income Eligibility budget provided at the hearing, the Department determined that Claimant had earned income in the amount of \$2478. (Exhibit B). The Department stated that it relied on the Work Number and specifically considered: (i) \$1192.39 paid on March 27, 2015; (ii) \$1173.46 paid on April 10, 2015; and (iii) \$1092.42 paid on April 24, 2015. (Exhibit C). Based on the evidence presented and applying the prospective income budgeting policy as found in BEM 505, the Department properly calculated Claimant's gross income and determined that effective June 14, 2015, she would be ineligible for CDC benefits on the basis that her income was in excess of the \$2367 income limit. BEM 505 (July 2014), pp. 5-8.

Claimant raised additional concerns at the hearing regarding her CDC eligibility for the period prior to June 14, 2015. Claimant testified that she stopped taking her children to the CDC provider because she was previously notified that she was no longer eligible for CDC benefits in May 2015. Claimant stated that she and her CDC provider were notified after her case already closed that she was no longer eligible. Claimant could not identify the exact period in which she was alleging her CDC provider was not paid and did not present any of the notices for review at the hearing. Therefore, Claimant did not establish that there was a negative action taken on her case prior to the issuance of the May 19, 2015, Notice of Case Action discussed above. Claimant further testified that she received a Notice of Case Action from the Department in June 2015 concerning her CDC eligibility. Claimant was informed at the hearing that because this Notice was not issued until after her hearing request was submitted, it was not within the scope or jurisdiction for the current hearing. Claimant was informed that should she dispute the

Department's actions with respect to other notices she received, she was entitled to request a hearing and have those issues resolved.

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 closed Claimant's CDC case effective June 14, 2015, due to excess income. Claimant is further informed that effective June 28, 2015, the gross income limits for CDC benefits were increased and she is entitled to submit a new application for CDC benefits to have her current eligibility determined.

### **DECISION AND ORDER**

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



**Zainab Baydoun**

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

Date Signed: **7/29/2015**

Date Mailed: **7/29/2015**

ZB / 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 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 **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]