



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
Christopher Seppanen
Executive Director

MIKE ZIMMER
DIRECTOR

[REDACTED]

DATE MAILED: MARCH 4, 2016
MAHS DOCKET NO.: 15-024478
AGENCY NO.: [REDACTED]
PETITIONER: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

HEARING DECISION

Following Petitioner'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 March 3, 2016, from Detroit, Michigan. The Petitioner was represented by the Petitioner, [REDACTED]. The Department of Health and Human Services (Department) was represented by [REDACTED], Hearing Facilitator. [REDACTED] served as an Arabic interpreter during the hearing.

ISSUE

Did the Department properly deny the Petitioner's Family Independence Program (FIP) Cash Assistance Application due to group excess income?

FINDINGS OF FACT

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

1. The Petitioner applied for FIP Cash Assistance on November 30, 2015.
2. The Department denied the FIP application due to the Petitioner's net earned income exceeding the FIP payment standard of \$ [REDACTED] Exhibit 2.
3. The Petitioner had gross income of \$ [REDACTED] weekly. The Petitioner's FIP group had five members. Exhibit 1.

4. The Department issued a Notice of Case Action on December 2, 2015, denying the FIP application because the groups' countable income exceeded the application income limit. Exhibit 3.
5. The Petitioner filed a timely hearing request on December 30, 2015.

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 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 Department of Human Services) 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-.3131.

In this case, the Department denied the Petitioner's FIP application dated November 30, 2015, due to his group's income exceeding the FIP payment standard for a group of [REDACTED] persons. The Department issued a Notice of Case Action on December 2, 2015, denying the FIP application because the groups' countable income exceeded the application income limit. Exhibit 3.

The FIP budget was reviewed at the hearing, and it was determined based upon the review that the budget presented was correct and that the denial of the application was correct. Department policy, which governs the calculation of FIP benefit eligibility, provides:

INCOME DEDUCTIONS

Income deductions are available at both the member and the group level. Apply deductions in the order they are presented in this item.

Qualifying Earned Income Disregard

FIP, RCA Only

At application, deduct \$200 from each person's countable earnings. Then deduct an additional 20 percent of each person's remaining earnings. The total disregard cannot

exceed countable earnings. Apply this disregard separately to each program group member's earned income.

Issuance Earned Income Disregard

FIP, RCA and SDA Only

Deduct \$200 from each person's countable earnings. Then deduct an additional 50 percent of each person's remaining earnings. The total disregard **cannot** exceed countable earnings. Apply this disregard separately to each program group member's earned income. BEM 518, (October 1, 2015) p. 5.

The Payment standard for an FIP group of [REDACTED] has an FIP monthly payment standard of \$[REDACTED] RFT 210 (December 1, 2013) p. 1.

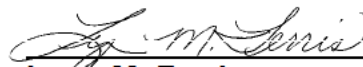
The Petitioner confirmed that he receives weekly gross pay of \$[REDACTED] Exhibit 1. This amount is then multiplied by 4.3 to get the gross earned income amount. (\$[REDACTED] X 4.3 = \$[REDACTED]) There are several deductions made from the monthly gross income to determine monthly net income. The first is a standard \$200 deduction leaving \$[REDACTED]. Then 20 percent of \$[REDACTED] is deducted. 20 percent of \$[REDACTED] is \$[REDACTED] which leaves \$[REDACTED] (\$[REDACTED] - \$[REDACTED] - \$[REDACTED] = \$[REDACTED]). The payment standard for a group of [REDACTED] members is \$[REDACTED]. Because the Petitioner's net earned income is more than the payment standard, the Petitioner is not entitled to receive FIP benefits; and the FIP application was properly denied.

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 FIP application dated November 30, 2015.

DECISION AND ORDER

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

LMF/jaf



Lynn M. Ferris

Administrative Law Judge

for Nick Lyon, Director

Department of Health and Human Services

NOTICE OF APPEAL: A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Order if the request is received by MAHS within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088; 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

DHHS

[REDACTED]

PETITIONER

[REDACTED]