RICK SNYDER GOVERNOR

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

SHELLY EDGERTON DIRECTOR



Date Mailed: July 12, 2016 MAHS Docket No.: 15-026488

Agency No.: Petitioner:

ADMINISTRATIVE LAW JUDGE: Colleen Lack

## **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, an in-person hearing was held on June 14, 2016, from Sault Ste. Marie, Michigan. appeared on his own behalf. The Department of Health and Human Services (Department) was represented by Rhonda LeGault, General Services Program Manager (GSPM). Christie Tremblay, Family Independence Specialist (FIS) appeared as a witness for the Department.

During the hearing proceedings, the Department's Hearing Summary packet was admitted as Exhibit A, pp. 1-25.

#### ISSUE

Did the Department properly close Petitioner's Family Independence Program (FIP) benefits case because Petitioner had exceeded the 48 month state lifetime limit on the receipt of assistance through this program?

#### FINDINGS OF FACT

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

 Petitioner has received cash assistance through the FIP program both under his own Department case number and as a mandatory group member under another Department case number. (Exhibit A, pp. 7-14)

- 2. Petitioner received a total of 48 countable months of FIP benefits. (Exhibit A, pp.15-16)
- 3. On August 31, 2015, a Notice of Case Action was issued to Petitioner, in part, stating that the FIP case would close effective October 1, 2015, because Petitioner has received 48 months or more of benefits, which is the time allowed for eligibility. (Exhibit A, pp. 21-25)
- 4. On September 8, 2016, Petitioner filed a hearing request with the Department regarding the FIP cash assistance program. Petitioner's hearing request was not forwarded to the Michigan Administrative Hearing System until April 25, 2016. (Exhibit A, pp. 2-5)

### **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.

The FIP benefit program is not an entitlement. BEM 234 (July 1, 2013), p. 1. Time limits are essential to establishing the temporary nature of aid as well as communicating the FIP philosophy to support a family's movement to self-sufficiency. BEM 234, p. 1.

While BEM 234 addresses both the state and federal lifetime limits, only the state lifetime limit is at issue for this case.

BEM 234 restricts the total cumulative months that an individual may receive FIP benefits to a state lifetime limit of 48 months. BEM 234, p. 4. Each month an individual receives FIP, regardless of the funding source (federal or state), the individual receives a count of one month. A family is ineligible for FIP when a mandatory group member in the program group reaches the 48 month state time limit. BEM 234, p. 4.

The 48-month state lifetime limit for FIP cases allows exemption months in which an individual does not receive a count towards the individual's 48-month lifetime limit. BEM 234, p. 4. Exemption months are months the individual is deferred from the Partnership, Accountability, Training, Hope (PATH) program for (i) domestic violence; (ii) being 65 years of age or older; (iii) a verified disability or long-term incapacity lasting

longer than 90 days (including establishing incapacity); or (iv) being a spouse or parent who provides care for a spouse or child with verified disabilities living in the home. BEM 234, p. 4.

Each month an individual serves a sanction period, those months count toward their state time limit. Sanction months should be counted starting October 1, 2007. BEM 234, p. 6.

Once an individual reaches a FIP time limit and the FIP closes, the individual is not eligible for FIP if the individual reapplies and meets an exemption criteria. BEM 234, p. 7.

In this case, Petitioner has received cash assistance through the FIP program both under his own Department case number and as a mandatory group member under another Department case number. (Exhibit A, pp. 7-14) Petitioner received a total of 48 countable months of FIP benefits. (Exhibit A, pp. 15-16)

Accordingly, on August 31, 2015, a Notice of Case Action was issued to Petitioner, in part, stating the FIP case would close effective October 1, 2015, because Petitioner has received 48 months or more of benefits, which is the time allowed for eligibility. (Exhibit A, pp. 21-25)

Petitioner's testimony indicated he is only looking to have some of the months taken back, i.e. not counted toward the 48 month lime limit, but is not looking to have FIP benefits reinstated at this time. Petitioner explained that he has a job now and knows he does not currently meet the eligibility requirements for FIP. However, Petitioner wants some of the months included in the 48 months taken back in case he loses his job. (Petitioner Testimony)

Petitioner is requesting to have several months not counted toward the 48 month time limit based on a reduced FIP benefit amount being issued. There were multiple months that Petitioner, or the FIP group he was a mandatory member of, only received \$10.00 in FIP benefits. Similarly, Petitioner also disputes counting the months where the FIP benefit was \$306, instead of normal \$403 for his group size. (Petitioner Testimony, Exhibit A, pp. 7 and 12)

The above cited BEM 234 policy does not allow for any exceptions to counting a month toward the state lifetime limit based upon the amount of the benefit the FIP group received that month. Rather, the only exceptions are for months the individual is deferred from PATH for domestic violence, age 65 or older, a verified disability or long-term incapacity lasting longer than 90 days, or being a spouse or parent who provides care for a spouse or child with verified disabilities living in the home. There is no authority for not counting any of the months the FIP group was only eligible to receive a reduced benefit amount toward Petitioner's 48 month time.

Petitioner also testified that in the past, he had asked for his FIP case to close when he started a job. Petitioner described issues relating to the Children's Protective Services actions around that time. Ultimately, Petitioner quit the job rather than potentially having to pay the State because his child was in foster care during a period he would have had income from employment. Petitioner confirmed that this all happened within a short period of time. (Petitioner Testimony) Accordingly, it appears that before the Department could process the request to close Petitioner's FIP case, Petitioner stopped working and instead remained on FIP.

The Department submitted sufficient documentation to establish that Petitioner received 48 countable months of FIP. (Exhibit A, pp. 7-16) The Department's policy does not allow for any exception to a month being counted toward the 48 month state lifetime limit based on the FIP group receiving a reduced benefit amount for the month. There was no evidence that Petitioner met the limited criteria found in BEM 234 for state time limit exceptions.

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 Petitioner's Family Independence Program (FIP) benefits because Petitioner had exceeded the 48 month state lifetime limit on the receipt of assistance through this program.

# **DECISION AND ORDER**

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

CL/mc

Colleen Lack

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

Chippewa DHHS)
463 East 3 Mile Rd.
Sault Ste. Marie, MI
49783

Chippewa County, DHHS

BSC1 via electronic mail