



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]

Date Mailed: May 3, 2016  
MAHS Docket No.: 16-003225  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Christian Gardocki

### **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 April 28, 2016, from Detroit, Michigan. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by [REDACTED], hearing facilitator, and [REDACTED], specialist.

### **ISSUE**

The issue is whether MDHHS properly denied Petitioner's cash assistance application.

### **FINDINGS OF FACT**

The administrative law judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. On [REDACTED], Petitioner applied for cash assistance (see Exhibit 1, pp. 1-15).
2. Petitioner was a member of a 3-person household which also included a spouse and a 19-year-old daughter who completed high school.
3. Petitioner received monthly SSI benefits of \$721/month.
4. On [REDACTED], MDHHS denied Petitioner's cash assistance application, in part due to not having a dependent child, and in part, due to excess income.

5. On [REDACTED], Petitioner requested a hearing to dispute the denial of cash assistance.

### **CONCLUSIONS OF LAW**

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193, and 42 USC 601 to 679c. MDHHS (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10 and 400.57a and Mich Admin Code, R 400.3101 to .3131. MDHHS policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

The State Disability Assistance (SDA) program is established by the Social Welfare Act, MCL 400.1-.119b. MDHHS (formerly known as the Family Independence Agency) administers the SDA program pursuant to 42 CFR 435, MCL 400.10 and Mich Admin Code, R 400.3151-.3180. MDHHS policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner requested a hearing to dispute the denial of a cash assistance application. MDHHS offers two types of cash assistance. FIP is intended for families with minor children. SDA is intended for disabled individuals. Petitioner's eligibility for each program will be examined.

Petitioner testimony implied the denial of cash assistance was improper because of his monthly expenses. Petitioner testimony indicated he has little, if any, money after paying for his rent and utilities. Rent and utility obligations are not factors in cash assistance eligibility.

MDHHS presented a Notice of Case Action (Exhibit 1, p. 16). The notice indicated Petitioner is not eligible for FIP benefits due to not having a dependent child.

Group composition is the determination of which individuals living together are included in the FIP eligibility determination group/program group and the FIP certified group. BEM 210 (January 2016), p. 1. To be eligible for FIP, both of the following must be true:

- the group must include a dependent child who lives with a legal parent, stepparent or other qualifying caretaker; and
- the group cannot include an adult who has accumulated more than 60 TANF funded months, beginning October 1, 1996, or any other time limits in the Family Independence Program...

*Id.*

Based on the above policy, a dependent child is a requirement for FIP eligibility. A dependent child is an unemancipated child who lives with a caretaker and is either under age 18; or aged 18 and a full-time high school student. *Id.*

Petitioner's household included a 19-year-old daughter who was a high school graduate (see Exhibit 1, p. 13). Thus, Petitioner's household does not have a dependent child. Accordingly, Petitioner is not eligible for FIP benefits.

SDA provides financial assistance to disabled adults who are not eligible for Family Independence Program (FIP) benefits. BEM 100 (July 2015), p. 5. The goal of the SDA program is to provide financial assistance to meet a disabled person's basic personal and shelter needs. *Id.*

The presented Notice of Case Action stated Petitioner was also denied cash, in part, due to excess income. Excess income appeared to be the basis for the SDA application denial.

The certified group must be in financial need to receive benefits. BEM 515 (October 2015), p. 1. Need is determined to exist when budgetable income is less than the payment standard established by the department. *Id.*

Petitioner testified his monthly income was \$721/month. [For SDA benefits,] Bridges counts the gross amount of current SSA-issued SSI as unearned income. BEM 503 (October 2015), p. 3. For SDA budgetary purposes, all of Petitioner's SSI benefit is countable income.

The SDA payment standard for Petitioner's group size is \$315. RFT 225 (July 2015), p. 1. Petitioner's countable income exceeds the MDHHS payment standard. Accordingly, it is found MDHHS properly denied Petitioner's SDA application due to excess income.

### **DECISION AND ORDER**

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly denied Petitioner's cash assistance application dated February 1, 2016. The actions taken by MDHHS are **AFFIRMED**.

CG/hw



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**Christian Gardocki**

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]

[REDACTED]

**Petitioner**

[REDACTED]