



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: February 1, 2017
MAHS Docket No.: 16-018150
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 [REDACTED], from Detroit, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by [REDACTED], Family Independence Specialist.

ISSUE

1. Did the Department properly close the Petitioner's Family Independence Program (FIP) cash assistance case?
2. Did the Department process the Petitioner's [REDACTED], FIP 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. The Petitioner requested a hearing on [REDACTED], regarding the denial of CDC but withdrew her Hearing Request for CDC on the record at the hearing.
2. The Petitioner began employment on [REDACTED], based upon a Verification of Employment dated [REDACTED]. The Petitioner was paid \$ [REDACTED] hourly and worked [REDACTED] hours per week. Exhibit B.
3. The Petitioner lost her employment and reported the loss of employment to the Department on [REDACTED].

4. The Petitioner applied for FIP benefits on [REDACTED], because she had lost her job. A week after her filing of her FIP application, the Petitioner had found another job and began employment.
5. When the Petitioner started employment, the Department closed her FIP cash assistance case due to her income exceeding the FIP program standard of \$ [REDACTED] for a household for four (4) persons.
6. On [REDACTED], the Department issued a Notice of Case Action closing the Petitioner's FIP benefits, effective [REDACTED]. Exhibit A.
7. The Petitioner requested a timely hearing on [REDACTED], protesting 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 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 closed the Petitioner's FIP cash assistance as of [REDACTED], when she reported income, which exceeded the FIP payment standard for her group of four (4) persons. Exhibit A. The Petitioner testified that her income was not correct; it was \$ [REDACTED] not \$ [REDACTED] as shown on the [REDACTED] Notice of Case Action. Exhibit A. The Petitioner did not present any pay stubs to support the \$ [REDACTED] earned income. The verification by her employer indicated Petitioner worked [REDACTED] hours weekly, at \$ [REDACTED] an hour. Exhibit B. The weekly FIP standard was \$ [REDACTED] Exhibit A. No FIP budget was presented at the hearing to establish what income the Department used to close the Petitioner's FIP case benefits due to excess income over the FIP payment standard. The Petitioner testified she lost her employment on [REDACTED], (Friday). During the last week of her employment, the Petitioner injured herself and did not work a full week. The Petitioner reported her loss of employment on Friday, [REDACTED], to Michigan Works and reported to the Department the loss of employment the same date.

The Department did not present an FIP budget at the hearing to establish that the Department properly closed the Petitioner's FIP case due to excess income. In

addition, the Department offered no evidence to rebut the Petitioner's statement that she advised the Department that she lost her job on [REDACTED].

When determining income from employment the Department is required to use past income to prospect for the future unless changes are expected:

- Use income from the **past 30 days** if it appears to accurately reflect what is expected to be received in the benefit month. BEM 505 (July 1, 2016), p. 6.

Note: The 30-day period used can begin up to 30 days before the interview date or the date the information was requested.

Stopping Income

For stopping income, budget the final income expected to be received in the benefit month. Use the best available information to determine the amount of the last check expected. Use information from the source and from the client. Remove stopped income from the budget for future months. BEM 505, p. 8.

In this case, the Petitioner's FIP benefits were scheduled to be closed [REDACTED]; and she lost her job and reported the loss of employment **before** her FIP was scheduled to close. She also testified under oath that she reapplied for FIP on or about [REDACTED] and timely reported the loss of employment to the Department on [REDACTED]. There was no evidence presented by the Department regarding the [REDACTED], FIP application and whether the Department processed the FIP application.

Given these facts, which were not rebutted by the Department, it cannot be determined whether the Petitioner's FIP case should have closed or whether she should have received FIP benefits for [REDACTED].

DECISION AND ORDER

The Petitioner withdrew her hearing request dated [REDACTED], regarding Child Development and Care (CDC) denial on the record at the hearing.

Accordingly, the Petitioner's request for hearing, dated [REDACTED], regarding CDC is hereby WITHDRAWN.

IT IS SO ORDERED.

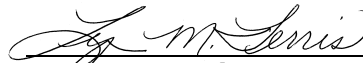
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it failed to process a new FIP application filed by Petitioner prior to the closure of her FIP case on [REDACTED]..

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

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. The Department shall process the Petitioner's FIP application filed on or about [REDACTED], and determine Petitioner's eligibility for FIP benefits for [REDACTED].
2. The Department shall provide the Petitioner written notice of its determination of Petitioner's FIP eligibility.

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]

[REDACTED]