



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED]

Date Mailed: June 13, 2017  
MAHS Docket No.: 17-005675  
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] [REDACTED] from Detroit, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by [REDACTED] [REDACTED] Family Independence Manager.

### **ISSUE**

Did the Department properly supplement the Petitioner Family Independence Program (FIP) Cash Assistance benefits for [REDACTED]?

### **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 is an ongoing FIP recipient.
2. In [REDACTED] or [REDACTED], the Department failed to pay Petitioner's FIP benefits due to an error by Friend of the Court.
3. The Department issued an FIP supplement to Petitioner on [REDACTED], in the amount of \$ [REDACTED] for [REDACTED].
4. The Petitioner requested a timely hearing on [REDACTED].

## **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 Petitioner sought a supplement for FIP benefits for [REDACTED] and [REDACTED]. Through no fault of Petitioner, the Friend of the Court misreported that the children's father was residing in Petitioner's home, which was incorrect; and the Department paid the FIP benefits for the children to the father instead of the Petitioner. The father was not living in Petitioner's home.

Department policy provides:

### **All Programs**

As soon as possible, document and correct benefits approved or denied in error by changing Data Collection, running Eligibility Determination Benefit Calculation (EDBC) and certifying the results. Bridges sends the client a timely or adequate notice as appropriate for department error corrections resulting in:

- Program eligibility or ineligibility.
- Increased or decreased need.
- Higher or lower patient-pay amount. BAM 105, (July 2017) p. 32.

The Department representative presenting the Department's case was unfamiliar with the case, and the Department individuals with actual knowledge of the case were not available. The evidence presented by the Department was that it issued an FAP supplement to Petitioner in the amount of \$ [REDACTED] for [REDACTED], on [REDACTED]. Petitioner acknowledged that she received the supplement but did not know what it covered and whether the supplement was correct. The Department was unable to explain how the supplement was determined and what it was based upon, i.e., what it included. The Bridges System issues supplemental benefits to correct overissuances (OI). BAM 400, (October 1, 2015), p. 3. Because the Department took so long for the supplement to be issued, and the case corrected, the Petitioner understandably wanted an explanation regarding what benefits were covered by the supplement so that she

could determine if the benefits were correct. The Department did not demonstrate by the evidence presented that it correctly processed the FIP supplement.

Eligible recipients of Department-issued benefits are entitled to receive their full and correct benefit amount. Because no one from the Department could explain whether the FIP underissuance for [REDACTED] [REDACTED] was properly corrected due to a mispayment to the children's father, and how it determined the amount, and whether an FIP supplement was due for [REDACTED] was owed to Petitioner, the Department did not meet its burden of proof to establish that it issued a proper supplement amount.

### **DECISION AND ORDER**

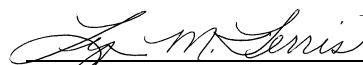
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it failed to demonstrate that all FIP benefit supplements were properly issued to Petitioner by way of an FIP supplement to cover Department underissuances in [REDACTED] and [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 recalculate the [REDACTED] FIP supplement it issued on [REDACTED], and determine if the supplement amount is correct.
2. The Department shall determine whether Petitioner is owed an FIP supplement for [REDACTED] and issue an FIP supplement to the Petitioner, if Petitioner is otherwise eligible to receive one in accordance with Department policy.
3. The Department shall provide a written notice to Petitioner of its determination of the FIP supplement amounts which should be issued, if any, due to underissuance and the month the supplement covers and what the amount of the supplement is based upon so that the Petitioner is advised that all benefits underissued if any for [REDACTED] and [REDACTED] have been paid.

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

**Petitioner**

[REDACTED]  
[REDACTED]  
[REDACTED]

**DHHS**

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]