



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: August 7, 2017
MAHS Docket No.: 17-006629
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 3-way telephone hearing was held on July 17, 2017, from Detroit, Michigan. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by [REDACTED] specialist.

ISSUE

The issue is whether MDHHS properly terminated Petitioner's Family Independence Program (FIP) eligibility.

FINDINGS OF FACT

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

1. Petitioner was an ongoing FIP recipient.
2. Through September 2011, Claimant received FIP benefit months in 141 federally-funded countable months since June 1996.
3. Petitioner was deferred from work-related activities due to a long-term disability.
4. In early 2017, the Social Security Administration denied Petitioner's claim of disability.
5. Petitioner did not appeal the denial of disability-related benefits.

6. On [REDACTED] DHS mailed Petitioner a Notice of Case Action terminating Petitioner's FIP benefit eligibility, effective June 2017, due to exceeding the federally-funded FIP benefit limit.
7. On [REDACTED] Petitioner requested a hearing to dispute the termination of FIP benefits.

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).

Petitioner requested a hearing to dispute a termination of FIP benefits. MDHHS presented a Notice of Case Action (Exhibit 1, pp. 1-2) dated May 2, 2017. The notice informed Petitioner of a termination of FIP benefits, effective June 2017. The basis for termination was that Petitioner exceeded the lifetime limits for receiving FIP benefits.

The FIP benefit program is not an entitlement. BEM 234 (July 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. *Id.*

Temporary Assistance to Needy Families (TANF) is the federal grant that funds the overwhelming majority of FIP assistance issued by the Department. *Id.* The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) established a five-year (60month) lifetime limit on assistance for adult-headed families. *Id.* The begin date for the federal time limit counter is Oct. 1, 1996. *Id.*, pp. 1-2. In line with the goals of the Family Independence Program, any group that includes an individual who has received 60 months or more of FIP is not eligible for the FIP program. *Id.*, p. 2.

The presented Notice of Case Action stated Petitioner reached 141 months of FIP benefits as of September 2011. Petitioner testimony did not dispute that she surpassed the lifetime countable months to receive FIP benefits. Petitioner's testimony implied that she was exempt from the count because of a disability. It was not disputed that MDHHS continued issuing FIP benefits to Petitioner after September 2011 because of Petitioner's claim of disability. It was not disputed the issuances were state-funded as an exception to federally-funded FIP policy.

The state time limit allows exemption months in which an individual does not receive a count towards the individual's state time limit. *Id.*, p. 4. However, the federal time limit continues, unless the exemption is state funded. Effective [REDACTED] exemption

months are months the individual is deferred from PATH for... a verified disability or long-term incapacity lasting longer than 90 days... *Id.*, p. 4.

It was not disputed that in early 2017, the Social-Security Administration denied Petitioner's claim of disability. MDHHS testimony implied that Petitioner's deferral for PATH ended after the denial of her claim. Petitioner testimony conceded she did not appeal the decision of the Social Security Administration (SSA), though she stated that she has reapplied and would seek disability based on a worsening and/or different condition. The "final" (see BEM 260A) decision by SSA justified terminating Petitioner's continuing PATH deferral appears proper and compliant with MDHHS' procedures in evaluating long-term disabilities (see BEM 230A and BEM 260).

The end of Petitioner's PATH deferral rendered her immediately ineligible for FIP benefits due to exceeding lifetime limits. Petitioner's PATH deferral cannot be revived by restarting the disability application process with SSA.

It is found that MDHHS properly terminated Petitioner's PATH deferral. It is further found that MDHHS properly terminated Petitioner's FIP eligibility due to exceeding lifetime limits.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly terminated Petitioner's FIP eligibility, effective June 2017. The actions taken by MDHHS are **AFFIRMED**.

CG/hw



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]

Petitioner

[REDACTED]