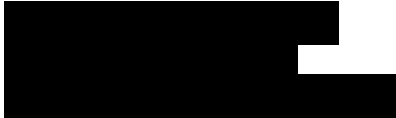




RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM

SHELLY EDGERTON  
DIRECTOR



Date Mailed: June 27, 2018  
MAHS Docket No.: 18-003409  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**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; 42 CFR 438.400 to 438.424; 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 May 24, 2018, from Lansing, Michigan. [REDACTED] [REDACTED] the Petitioner, appeared on her own behalf. The Department of Health and Human Services (Department) was represented by Donna Rojas, Family Independence Manager (FIM). Sara Curtis, Eligibility Specialist (ES), was present as an observer.

During the hearing proceeding, the Department's Hearing Summary packet was admitted as Exhibit A, pp. 1-26.

**ISSUE**

Did the Department properly deny Petitioner's cash assistance application due to income in excess of Family Independence Program (FIP) program limits?

**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 applied for FIP cash assistance on March 12, 2018. (Exhibit A, pp. 3-15)
2. On the FIP application, Petitioner reported working 16 hours per week at \$10.00 per hour. Petitioner reported she is paid weekly. (Exhibit A, p. 10)
3. The Department determined Petitioner's FIP application must be denied due to income in excess of program limits. (Exhibit A, pp. 16-20)

4. On March 15, 2018, a Notice of Case Action was issued to Petitioner stating cash assistance was denied because of countable earnings that exceeded the application income limit for this program. (Exhibit A, pp. 21-24)
5. On March 30, 2018, Petitioner filed a hearing request contesting the Department's determination. (Hearing Request)

### **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.

Financial need must exist to receive FIP benefits. Financial need exists when the certified group passes the Qualifying Deficit Test, Issuance Deficit Test, and the Child Support Income Test. BEM 518, October 1, 2015, p. 1.

At application, the Department's computer system, Bridges, performs the qualifying deficit test by subtracting budgeable income from the certified group's payment standard for the application month; see BEM 515. BEM 518, October 1, 2015, p. 1.

The payment standard is the maximum benefit amount that can be received by the certified group. Income is subtracted from the payment standard to determine the grant amount; see BEM 518. The grant amount is for shelter, heat, utilities, clothing, food and items for personal care. It is not to be used to purchase lottery tickets, alcohol or tobacco. It is also not to be used for gambling, illegal activities, massage parlors, spas, tattoo shops, bail-bond agencies, adult entertainment, cruise ships or other nonessential items. The Department is to determine the correct payment standard based on the program, certified group size, and living arrangement (SDA) or grantee status (FIP/RCA). FIP/RCA payment standards are found in RFT 210. BEM 515, October 1, 2015, p. 1.

The Department converts stable and fluctuating income that is received more often than monthly to a standard monthly amount. The Department uses the following methods: multiply weekly income by 4.3; multiply amounts received every two weeks by 2.15; add amounts received twice a month. This conversion takes into account fluctuations due to the number of scheduled pays in a month. BEM 505, October 1, 2017, p. 8.

For a group size of one, the FIP eligible grantee monthly assistance standard is \$306. RFT 210, April 1, 2017, p. 1.

In this case, Petitioner reported working 16 hours per week at \$10.00 per hour on her FIP application. Petitioner reported she is paid weekly. (Exhibit A, p. 10) This would equate to \$160.00 per week. The Department multiplied this by 4.3 to convert the weekly income to a monthly income of \$688.00. This exceeds the \$306.00 FIP monthly payment standard. According, the Department determined Petitioner's FIP application must be denied due to income in excess of program limits. (Exhibit A, pp. 16-20)

Petitioner explained that although it is stated that she works 16 hours per week, she did not actually work that much. Petitioner had compromised immunity. Petitioner was sick with a sinus infection, a cold, and flu all within a short period of time. All were pretty bad sicknesses. Luckily, Petitioner's employer worked with her and gave her the weeks or days off she requested each time knowing that Petitioner was pregnant and a good employee. The weeks Petitioner was unable to work 16 hours were more than the weeks Petitioner could work 16 hours. (Petitioner Testimony)

However, there was no information that Petitioner reported any change in her work hours to the Department by the time of the March 15, 2018, determination. Based on the information available to the Department at that time, Petitioner's reported income from working 16 hours per week at \$10.00 per hour was properly converted to a monthly income of \$688.00 in accordance with Department policy. This monthly income exceeds the applicable \$306.00 FIP monthly payment standard. Therefore, the Department properly determined Petitioner's FIP application must be denied due to income in excess of program limits.

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 denied Petitioner's cash assistance application due to income in excess of FIP program limits.

### **DECISION AND ORDER**

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

CL/nr



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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) 763-0155; 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**

Kimberly Kornoelje  
121 Franklin SE  
Grand Rapids, MI  
49507

Kent County DHHS- via electronic mail

BSC3- via electronic mail

G. Vail- via electronic mail

B. Cabanaw- via electronic mail

**Petitioner**

