



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

SHELLY EDGERTON  
DIRECTOR

[REDACTED] MI [REDACTED]

Date Mailed: August 14, 2018  
MAHS Docket No.: 18-005631  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Aaron McClintic

**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 July 26, 2018, from Lansing, Michigan. Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by Donna Rojas FIM. Margaret Root ES also appeared and testified for the Department. Department Exhibit A, pp. 1-19 was received and admitted.

**ISSUE**

Did the Department properly deny Petitioner's Family Independence Program (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. On [REDACTED], 2018, Petitioner applied for FIP benefits.
2. On [REDACTED], 2018, Petitioner application for FIP was denied due to excess income.
3. On May 29, 2018, Petitioner requested hearing.
4. Petitioner's husband had \$1,449.00 in earned income in the month prior to the FIP application.

5. Petitioner's husband had a wage garnishment in place pursuant to a Chapter 13 bankruptcy at the time of application. (Exhibit A, p.9)

### **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.

#### **Income**

Income means a benefit or payment received by an individual which is measured in money. It includes money an individual owns even if **not** paid directly such as income paid to a representative.

#### **Countable Income**

Income remaining after applying the policy in the income related items is called **countable**. This is the amount used to determine eligibility and benefit levels. Count all income that is **not** specifically excluded. BEM 500

In this case, Petitioner applied for FIP benefits on [REDACTED], 2018. On May 22, 2018, Petitioner's application was denied due to excess income. The payment standard for FIP for a group size of four is \$597.00. RFT 210 Petitioner's household's net income is \$1,000.00 which is over the payment standard. Therefore, the denial due to excess income was proper and correct. Petitioner's husband's employment income is garnished pursuant to a Chapter 13 bankruptcy. BEM 500 instructs to "count all income that is not specifically excluded". Nothing in Department policy excludes employment income that is garnished pursuant to a bankruptcy. Petitioner's husband's income is paid over to the bankruptcy trustee as his representative, but it is still used for Petitioner's husband's benefit.

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 application for FIP due to excess income.

**DECISION AND ORDER**

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

AM/bb



**Aaron McClintic**

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

BSC3 via electronic mail

B. Cabanaw via electronic mail

**Petitioner**

[REDACTED]  
[REDACTED]  
[REDACTED] MI [REDACTED]