



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ORLENE HAWKS
DIRECTOR

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

Date Mailed: July 12, 2019
MOAHR Docket No.: 19-006187
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Kevin Scully

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. After due notice, a telephone hearing was held on July 10, 2019, from Lansing, Michigan. Petitioner was represented by herself. The Department of Health and Human Services was represented by Hector Ledezma and Joyce Kerstein.

ISSUES

Did the Department of Health and Human Services (Department) properly deny Petitioner’s application for Child Development and Care (CDC) assistance?

Did the Department of Health and Human Services (Department) properly determine Petitioner’s eligibility for the Food Assistance Program (FAP)?

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] [REDACTED] 2019, the Department received Petitioner’s application for Child Development and Care (CDC) and Food Assistance Program (FAP) benefits. Exhibit A, pp 5-13.
2. On June 3, 2019, the Department received verification that Petitioner had been employed since [REDACTED] [REDACTED] 2018, and expects to work 40 hours per week at a rate of \$ [REDACTED] per hour. Exhibit A, p 15.
3. Petitioner received paychecks in the gross weekly amounts of \$ [REDACTED] on May 2, 2019, \$ [REDACTED] on May 9, 2019, \$ [REDACTED] on May 16, 2019, \$ [REDACTED] on May 23, 2019, and \$ [REDACTED] on May 30, 2019. Exhibit A, pp 19-23.

4. Petitioner receives monthly child support income in the gross monthly amount of \$█ Exhibit A, pp 40-46.
5. Petitioner is responsible for housing expenses in the monthly amount of \$1,195, which includes utilities. Exhibit A, pp 30-31.
6. On June 12, 2019, the Department notified Petitioner that she is eligible for a \$48 monthly allotment of Food Assistance Program (FAP) benefits as of June 1, 2019. Exhibit A, pp 36-37.
7. On June 10, 2019, the Department notified Petitioner that she is not eligible for Child Development and Care (CDC) benefits. Exhibit A, pp 38-39.
8. On June 14, 2019, the Department received Petitioner's request for a hearing protesting the amount of Food Assistance Program (FAP) benefits she is receiving and the denial of her application for Child Development and Care (CDC) assistance. Exhibit A, pp 2-3.

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 Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

The Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, 42 USC 601-619, 670-679c, and 1397-1397m-5; the Child Care and Development Block Grant of 1990, PL 101-508, 42 USC 9858 to 9858q; and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193. The program is implemented by 45 CFR 98.1-99.33. The Department administers the program pursuant to MCL 400.10 and provides services to adults and children pursuant to MCL 400.14(1) and Mich Admin Code, R 400.5001-.5020.

All earned and unearned income available is countable unless excluded by policy. Earned income means income received from another person or organization or from self-employment for duties for duties that were performed for compensation or profit. Unearned income means all income that is not earned, including but not limited to funds received from the Family Independence Program (FIP), State Disability Assistance

(SDA), Child Development and Care (CDC), Medicaid (MA), Social Security Benefits (RSDI/SSI), Veterans Administration (VA), Unemployment Compensation Benefits (UCB), Adult Medical Program (AMA), alimony, and child support payments. The amount counted may be more than the client actually receives because the gross amount is used prior to any deductions. Department of Human Services Bridges Eligibility Manual (BEM) 500 (July 1, 2017).

All income is converted to a standard monthly amount. If the client is paid weekly, the Department multiplies the average weekly amount by 4.3. If the client is paid every other week, the Department multiplies the average bi-weekly amount by 2.15. Department of Human Services Bridges Eligibility Manual (BEM) 505 (October 1, 2017), pp 7-8.

The Department will use the average of child support payments received in the past three calendar months, unless changes are expected. Department of Health and Human Services Bridges Eligibility Manual (BEM) 505 (July 1, 2016), p 5.

Food Assistance Program (FAP)

On [REDACTED] [REDACTED] 2019, the Department received Petitioner's application for FAP and CDC benefits as a group of four. Petitioner receives monthly earned income from employment in the gross monthly amount of \$ [REDACTED] which was determined by taking the average of four of her paychecks in May of 2019, and converting that amount to a prospective monthly figure by multiplying by the 4.3 conversion factor as directed by BEM 505. Petitioner received monthly child support payments in the gross monthly amount of \$ [REDACTED] which was determined by taking a three-month average of child support payments as directed by BEM 505. Petitioner's adjusted gross income of \$ [REDACTED] was determined by reducing her total income by the \$168 standard deduction for a group of four.

Petitioner is entitled to a \$107 deduction for shelter expenses, which was determined by reducing the total of her \$995 housing expenses, the \$135 non-heat electricity deduction, and the \$31 telephone deduction by 50% of her adjusted gross income. Petitioner is entitled to these standard deductions because her heating expenses are included in her rent.

Petitioner's net income of \$ [REDACTED] was determined by reducing her adjusted gross income by the shelter deduction. A group of four is entitled to a \$41 monthly allotment of Food Assistance Program (FAP) benefits. Department of Health and Human Services Reference Table Manual (RFT) 260 (October 1, 2019), p 28.

Child Development and Care (CDC)

To be eligible for the CDC program at application, a program group's countable gross monthly income must not exceed the maximum monthly gross income limit by family size associated with the program entry limit (\$15 Family Contribution category). Income eligible families may have a co-payment amount called a family contribution.

Department of Health and Human Services Bridges Eligibility Manual (BEM) 703 (March 1, 2019), p 16.

The program entry limit for a group of four is \$2,665. Department of Health and Human Services Reference Table Manual (RFT) 270 (March 1, 2019), p 1.

Petitioner received a gross monthly income of \$ [REDACTED] which is the total of her earned income from employment, and unearned income from child support payments. Since this income exceeds the entry limit for a group of four, the Department notified her on June 10, 2019, that her [REDACTED] [REDACTED] 2019, application for CDC benefits had been denied.

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 determined Petitioner's eligibility for Food Assistance Program (FAP) and Child Development and Care (CDC) benefits.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

KS/hb



Kevin Scully
Administrative Law Judge
for Robert Gordon, 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 Office of Administrative Hearings and Rules (MOAHR).

A party may request a rehearing or reconsideration of this Order if the request is received by MOAHR 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. MOAHR will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MOAHR. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MOAHR Rehearing/Reconsideration Request.

If submitted by mail, the written request must be addressed as follows:

Michigan Office of Administrative Hearings and Rules
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

M. Holden via electronic mail

D. Sweeney via electronic mail

L. Brewer-Walraven via electronic mail

Petitioner

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