



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

SHELLY EDGERTON
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: November 14, 2018
MAHS Docket No.: 18-010406
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: John Markey

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 November 13, 2018, from Lansing, Michigan. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Cheryl Wackins, Assistance Payments Supervisor, and Akisha Drain, Eligibility Specialist. During the hearing, a 23-page packet of documents was offered and admitted as Exhibit A, pp. 1-23.

ISSUE

Did the Department properly deny Petitioner's application for Child Development and Care (CDC) benefits?

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 submitted to the Department an application for CDC benefits. Exhibit A, pp. 5-9.
2. Along with the application, Petitioner submitted a Verification of Employment form that she filled out. On both the application and the Verification of Employment, Petitioner reported that she earned wages that amounted to just under \$[REDACTED] per month. Exhibit A, pp. 4, 9.

3. On September 28, 2018, the Department issued to Petitioner a Notice of Case Action informing Petitioner that her CDC benefits application was denied due to Petitioner's income exceeding the gross income limit for eligibility. Exhibit A, pp. 10-12.
4. On [REDACTED], 2018, Petitioner submitted a request for hearing objecting to the Department's denial of her CDC benefits application.¹

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 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.

On [REDACTED] 2018, Petitioner submitted an application for CDC benefits for her son, who was born [REDACTED] 2015. On the application and documents accompanying Petitioner's application, Petitioner informed the Department that she was working and earned approximately \$[REDACTED] every two weeks. On September 28, 2018, the Department issued to Petitioner a Notice of Case Action informing Petitioner that her application for CDC benefits for her son was denied because Petitioner's income exceeded the entry limit for the CDC program. Petitioner then filed a request for hearing objecting to the Department's denial of her application.

Eligibility for CDC benefits is based on program group size and non-excluded income received by any member of the group. BEM 703 (July 2018), p. 16. To be eligible for the CDC program at application, a family's 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). RFT 270 (July 2018), p. 1. After initial eligibility has been determined, a family's income must not exceed the maximum monthly gross income eligibility limit by family size associated with the \$90 family contribution category. RFT 270, p. 1.

¹ Petitioner's hearing request also objected to the Department's actions with respect to her Food Assistance Program benefits and an alleged State Emergency Relief application. During the hearing, Petitioner voluntarily withdrew her hearing request with respect to those two programs.

Petitioner lived with her one child. Therefore, Petitioner has a group size of one. BEM 205, pp.1-2. The income limit at entry for a group size of one is \$1,759. RFT 270, p. 2. The Department testified that it determined Petitioner's household income was \$ [REDACTED] for the month of application.


During the hearing, Petitioner agreed with the income calculation provided by the Department on the Notice of Case Action and accompanying CDC budget. Petitioner believed that her expenses should have been taken into account in order to reduce her gross income and make her eligible for the CDC program. However, policy does not provide for any deductible expenses from eligible income.

The Department correctly calculated Petitioner's earned income from employment and concluded that Petitioner's household income exceeds the income limit for a group size of two. Therefore, the Department acted in accordance with policy when it determined Petitioner's child was not eligible for CDC benefits.

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 acted in accordance with Department policy when it determined Petitioner's child was not eligible for CDC benefits. Accordingly, the Department's decision is **AFFIRMED**.

JM/dh



John Markey
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

Tiffany Flemings
22 Center Street
Ypsilanti, MI 48198

Washtenaw County, DHHS

BSC4 via electronic mail

L. Brewer-Walraven via electronic mail

Petitioner

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