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GOVERNOR

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

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DIRECTOR

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Date Mailed: September 18, 2019
MOAHR Docket No.: 19-007675
Agency No.: ██████████
Petitioner: ████████████████████

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

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 August 22, 2019, from ██████████ Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by Lashona Callen, Assistance Payments Supervisor.

ISSUE

Did the Department properly deny the Petitioner's application for Child Development and Care (CDC) program benefits due to excess income?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. The Petitioner applied for CDC on May 23, 2019.
2. At the time of the application, the Petitioner provided the following income: \$96.00 in unearned income from child support and earned income of \$██████████. Exhibit G and Exhibit H.
3. The Petitioner provided two pay stubs for the period ending April 30, 2019, showing gross income of \$██████████ and pay period ending May 15, 2019, showing gross income of \$██████████, which totaled \$██████████, which was the earned income used by the Department to determine total countable income for CDC eligibility determination. Exhibit H.

4. Based upon the Petitioner's income, the Department denied the Petitioner's CDC application due to her income exceeding the entry limit for the program and sent a Notice of Case Action dated June 10, 2019. Exhibit C.
5. The Petitioner has two minor children, and her CDC family size is three members.
6. The Department sent a Verification Checklist (VCL) dated May 28, 2019, to the Petitioner requesting that she submit all check stubs received in May 2019. The verification was due on June 7, 2019.
7. The Petitioner's employer, █████ Community School district, provided a letter that she was assigned a six-hour-per-day position with an hourly rate of \$█████ for the 181 school days (September 4, 2018, through June 4, 2019. Exhibit B.
8. The Petitioner receives \$96.00 monthly in child support for her two children.
9. On July 15, 2019, the Petitioner filed a timely hearing request protesting the denial of the application.

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.

In this case, the Department denied the Petitioner's application for CDC due to excess income as the pay stubs provided by the Petitioner resulted in income in excess of the applicable CDC income entry limit. The Petitioner was potentially eligible for CDC based upon her employment as a bus driver. BEM 703, (October 2019), p. 4. In this case, the Petitioner did not qualify for CDC Protective Service Groups; and thus, the Department was required to determine eligibility for the income eligible group. Department policy provides as regards the income eligible group:

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. For program group definition; see BEM 205.

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 program exit limit (\$90 Family Contribution category). For income limit and family contribution amounts; see RFT 270. BEM 703, p. 16.

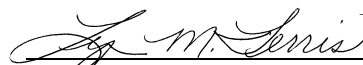
Based upon the CDC entry limit for a family size of three persons, the CDC maximum monthly Gross income cannot exceed \$2,213 monthly. RFT 270 (March 2019), p. 1. The Department provided a CDC Income eligibility budget at the hearing which correctly calculated the groups total earned income based on the pay stubs provided for the last 30 days to be \$██████ and unearned income due to child support for both her children to be \$96 per month for a total income of \$██████ which exceeds the CDC entry maximum gross income limit of \$2,213.

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 the Petitioner's CDC application due to excess income.

DECISION AND ORDER

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

LMF/jaf



Lynn M. Ferris

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
(via electronic mail)

Linda Gooden
MDHHS-Oakland-6303-Hearings
BSC4
L Brewer-Walraven

Petitioner
(via first class mail)

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