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

ORLENE HAWKS DIRECTOR

Date Mailed: December 20, 2019 MOAHR Docket No.: 19-011415 Agency No.: Petitioner:

## 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 December 9, 2019 from Detroit, Michigan. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Valarie Foley, Hearings Facilitator. During the hearing, a 13-page packet of documents was offered and admitted into evidence as Exhibit A, pp. 1-13.

#### ISSUE

Did the Department properly process Petitioner's June 10, 2019 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 **Example**, 2019, Petitioner submitted to the Department an application for CDC benefits with a service start date of July 1, 2019.
- 2. On July 31, 2019, Petitioner's provider executed a Child Development and Care (CDC) Provider Verification wherein both Petitioner and the provider were assured that payment would be received for any services provided in the 30 days prior to the provider finishing a required training. Exhibit A, pp. 11-12.
- 3. On July 31, 2019, the provider completed the required training.
- 4. The Department did not activate the CDC benefits until August 8, 2019.

5. On **Example**, 2019, Petitioner submitted to the Department a request for hearing objecting to the Department's action.

# 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, Petitioner objects to the Department's refusal to pay CDC benefits to her provider for the time period from July 1, 2019 through July 31, 2019. Petitioner's 2019 application had been approved, but her provider had not yet completed the Great Start to Quality Orientation training. On July 31, 2019, the provider completed the required training. At that point, the Department attempted to authorize payments going back to July 1, 2019 but was unable to do so. At the hearing, the Department representative stated that the payment should have been made and cited to a Child Development and Care (CDC) Provider Verification form. On that form, Petitioner and Petitioner's provider signed statements indicating that CDC payments will not be made for any time period more than 30 days before the provider completed the training. Thus, the Department believes that the payments should have covered the time period from July 1, 2019 as the training was completed on July 31, 2019.

The goal of the CDC program is to support low-income families by providing access to high-quality, affordable and accessible early learning and development opportunities and to assist the family in achieving economic independence and self-sufficiency. BEM 703 (March 2019), p. 1. It is intended to promote continuity of care and to extend the time an eligible child has access to child care assistance by providing a subsidy for child care services for qualifying families. BEM 203, p. 1. An application for CDC benefits must be approved or denied within 30 calendar days from the receipt of the application. BAM 115 (April 2019), p. 17.

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According to the language on the Department's Child Development and Care (CDC) Provider Verification form and the Department's testimony during the hearing, it is found that the Department erred when it refused to issue payment to the provider for the time period from July 1, 2019 through July 31, 2019.

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 did not act in accordance with Department policy when it failed to issue payment to Petitioner's provider for the care provided from July 1, 2019 through July 31, 2019.

## **DECISION AND ORDER**

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

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

- 1. Issue the CDC benefits covering July 1, 2019 through July 31, 2019 that the Department conceded on the record were due; and
- 2. Notify Petitioner in writing of its decisions.

JM/tm

John Markey

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

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DHHS

Susan Noel 26355 Michigan Ave Inkster, MI 48141

Petitioner



cc: CDC: L. Brewer-Walraven AP Specialist-Wayne County