



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]

Date Mailed: October 23, 2020  
MOAHR Docket No.: 20-005675  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Alice C. Elkin**

### **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 hearing was held on October 8, 2020 via telephone conference. Petitioner represented herself. The Department of Health and Human Services (Department) was represented by Michelle Laux, Family Independence Specialist.

### **ISSUE**

Did the Department properly process Petitioner's Child Development and Care (CDC) case?

### **FINDINGS OF FACT**

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

1. Petitioner was an ongoing recipient of CDC benefits.
2. On February 15, 2020, Petitioner submitted a Child Development and Care (CDC) Provider Verification, which identified her grandmother as her new child care provider for four of her children in the grandmother's home (Exhibit A, pp. 6-7).
3. On March 2, 2020, the Department sent Petitioner a Quick Note notifying her that the provider's identification number had expired and providing instructions for recertification through [REDACTED] an agency not affiliated with the Department.
4. On July 30, 2020, the Department sent Petitioner a Notice of Case Action notifying her that from December 8, 2019 to mid-January or mid-February 2020, 90 hours of CDC benefits were approved for her six children but that CDC benefits on behalf of one child were denied as of January 19, 2020 because the child no longer met CDC requirements (Exhibit B).

5. The eligibility summary showed that Petitioner continued to be active for CDC since November 2019 (Exhibit A, p. 10).
6. On [REDACTED], 2020, the Department received Petitioner's request for hearing disputing the closure of her CDC case (Exhibit A, pp. 3-5).

### **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.

Petitioner expressed concerns that her CDC had closed. She contended that she was notified in a July 30, 2020 Notice of Case Action that her CDC case had closed. However, a review of the Notice shows that the Department notified Petitioner that CDC billing had been approved for five of her children through mid-January or mid-February 2020, but it did not address Petitioner's ongoing CDC status or notify Petitioner that her CDC case had closed. At the hearing, the Department presented evidence showing that Petitioner's CDC case had been open in its system since November 2019 and remained open as of the hearing date (Exhibit A, p. 10). Thus, there was no evidence presented that Petitioner's CDC case had closed.

Petitioner also disputed the Department's refusal to pay CDC benefits to the child care provider she identified on the February 15, 2020 CDC Provider Verification form. CDC payments are made when a CDC case is open in the Department's system, an eligible provider is assigned to the child and provides care, and the provider successfully bills for child care through the internet billing (I-Billing) system. BEM 706 (February 2020), p. 1. The Department explained that, because Petitioner's provider's identification number had expired, she was not eligible for payment of CDC benefits until the number was reinstated (or a new number assigned).

Provider identification numbers are necessary for I-Billing. BEM 706, p. 12; see also [https://www.michigan.gov/mde/0,4615,7-140-63533\\_63534\\_72649-291400--,00.html](https://www.michigan.gov/mde/0,4615,7-140-63533_63534_72649-291400--,00.html) (accessed October 9, 2020). Individuals who are related to the children for whom they care can be assigned as the child care provider to the children's CDC case, but in order to be eligible to bill for CDC payments, they must complete a [REDACTED] to Quality

Orientation training, have submitted billing within the past 12 months, and, as of July 2020, complete ongoing annual training. BEM 706, p. 13; BEM 704 (February 2020), p. 9; and BEM 704 (July 2020), p. 12. A DHS-198, Child Development and Care Child Development and Care (CDC) Provider Notice is sent to providers once they are eligible to bill and will include a CDC provider identification number. BEM 706, p. 14; see [https://www.michigan.gov/documents/mde/I-Billing\\_for\\_Providers-FAQ\\_9.18.2014\\_469875\\_7.pdf](https://www.michigan.gov/documents/mde/I-Billing_for_Providers-FAQ_9.18.2014_469875_7.pdf) (accessed October 9, 2020).

At the hearing, Petitioner acknowledged receiving a March 2, 2020 Quick Note advising her that her provider's identification number had expired and that the provider would need to follow up with [REDACTED]. Petitioner further acknowledged that, as of the date of the hearing, [REDACTED] had not verified that her provider had completed all necessary training and documentation. According to Petitioner, her provider's application had not yet been processed. In the absence of any evidence that Petitioner's provider's identification number was reinstated (or a new number provided), the Department would be unable to issue payments to the provider.

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 processed Petitioner's CDC case.

#### **DECISION AND ORDER**

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

ACE/tlf



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**Alice C. Elkin**  
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

**Via Email:**

MDHHS-Macomb-20-Hearings  
BSC4 Hearing Decisions  
L. Brewer-Walraven  
MOAHR

**Petitioner – Via First-Class Mail:**

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