



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

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Date Mailed: November 7, 2022
MOAHR Docket No.: 22-004088
Agency No.: ██████████
Petitioner: ██████████

ADMINISTRATIVE LAW JUDGE: Zainab A. Baydoun

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 October 10, 2022, from Detroit, Michigan. Petitioner appeared for the hearing and represented herself. The Department of Health and Human Services (Department) was represented by Valarie Foley, Hearing Facilitator. Eugene Lagji served as Albanian interpreter.

ISSUE

Did the Department properly deny Petitioner's applications for Family Independence Program (FIP) 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 or around ██████████, 2022, Petitioner submitted an application requesting FIP benefits. Petitioner's household consisted of herself, her husband, and two minor children.
2. On or around August 17, 2022, Petitioner participated in an application interview, during which she reported that she is employed part-time, earning \$████ per hour. The Department subsequently received pay stubs showing that on or around July 8, 2022, Petitioner received \$████ in gross earned income, on or around July 22, 2022, Petitioner was paid \$████ in gross earned income, and that on or around August 5, 2022, Petitioner received \$████ in gross earned income.

3. On August 18, 2022, 2021, the Department sent Petitioner a Notice of Case Action advising her that her application for FIP benefits was denied because the group's countable earnings exceeded the application income limit. (Exhibit A, pp. 6-9)
4. On or around [REDACTED] 2022, Petitioner requested a hearing disputing the Department's denial of her FIP application. (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 Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Department of Human Services) administers FIP pursuant to 45 CFR 233-260, MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3101-.3131.

In this case, Petitioner requested a hearing disputing the Department's denial of her FIP application, which the Department representative testified was denied due to excess income.

In order to receive FIP benefits, financial need must exist. Financial need is established, in part, when a client passes the qualifying deficit test and/or the issuance deficit test. Need is determined to exist when budgetable income is less than the payment standard, which is the maximum benefit amount that can be received by the certified group. BEM 518 (January 2020), pp. 1-6; BEM 515 (January 2022), pp. 1-5. At application, the Department compares the budgetable income using the qualified earned income disregard for the income month, to the certified group's payment standard for the application month. The group will be ineligible for FIP for the application month if no deficit exists. To perform the issuance deficit test, the Department subtracts budgetable income from the applicable payment standard for the benefit month. Financial need exists if there is at least a \$10 deficit after income is budgeted. If there is no deficit, the group is ineligible for assistance. BEM 518, pp.1-6. Thus, if Petitioner's group's income is less than the payment standard for the month being tested, the group will be eligible for FIP benefits. The FIP monthly assistance payment standards (based on EDG participation status and FIP certified group size) are found in RFT 210. For Petitioner's four-person eligible grantee household, the FIP monthly assistance payment standard is \$[REDACTED]. See RFT 210 (April 2017), pp. 1-2.

At the hearing, the Department presented a FIP Income Test Budget support of its determination that Petitioner's household had excess income. The budget shows earned income of \$[REDACTED] which the Department representative testified was calculated

using the following paystubs: \$██████ paid on July 8, 2022, \$██████ paid on July 22, 2022, and \$██████ paid on August 5, 2022. Petitioner confirmed that the income amounts relied upon by the Department were correct and the pay stubs were presented for review during the hearing. The Budget also properly shows the \$██████ earned income disregard, as well as a \$██████ deduction to earned income to account for the 20% earned income deduction. The Department representative testified, and the budget shows that Petitioner had countable income of \$██████ which is greater than the \$██████ payment standard based on her group size of four. Thus, the budget properly shows that Petitioner's household failed the qualifying and/or issuance income test.

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 that Petitioner's household was not eligible for FIP benefits due to excess income and denied her ████████ 2022, FIP application.

DECISION AND ORDER

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

ZB/ml



Zainab A. Baydoun
Administrative Law Judge

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 Electronic Mail :

DHHS
Susan Noel
Wayne-Inkster-DHHS
26355 Michigan Ave
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**MDHHS-Wayne-19-
Hearings@michigan.gov**

Interested Parties

BSC4
G. Vail
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MOAHR

Via First Class Mail :

Petitioner

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