



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]
[REDACTED], MI [REDACTED]

Date Mailed: May 12, 2023
MOAHR Docket No.: 23-001775
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

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 May 4, 2023, from Lansing, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by Amber Gibson Hearing Facilitator. Department Exhibits 1 and 2 were received and admitted. Petitioner Exhibit A was received and admitted.

ISSUE

Did the Department properly deny Petitioner's Direct Support Services (DSS) request?

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 requested DSS for vehicle purchase.
2. On December 19, 2022, Petitioner submitted a Vehicle Purchase Information form dated December 11, 2022, for purchase of a 2013 Kia Optima with a purchase price of \$4,000 and 297,850 miles on the car.
3. The Kelly Blue Book private party value is \$3,654 for a 2013 Kia Optima with 297,850 miles.
4. On March 2, 2023, an Application Notice was sent to Petitioner informing her that her DSS request was denied because "You failed to provide the Department with information needed to determine eligibility." (Ex. 1, pp. 5-6)
5. On March 18, 2023, Petitioner requested hearing disputing the denial of DSS.

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 Relief Manual (ERM).

Direct Support Services (DSS) is established by the Social Welfare Act, MCL 400.1-.119b. The program is administered by the Department pursuant to MCL 400.10 and 400.57a and Mich Admin Code R 400.3603.

Direct Support Services (DSS)

Goods and services provided to help families achieve self-sufficiency. DSS **includes** Employment Support Services (ESS) and Family Support Services (FSS) that directly correlates to removing an employment-related barrier.

There is no entitlement for DSS. The decision to authorize DSS is within the discretion of the MDHHS or PATH program, based on local office funding. BEM 232

Vehicle Purchase

FIP, CDC, MA Family, FAP Family

Authorize up to \$5000 to purchase, not lease, a vehicle to be used as a participant's primary means of transportation for work or employment-related activities. For FIP recipients, *see clients served by PATH* in this item. Vehicle purchase is limited to once in a client's lifetime. Prior approval through Bridges is required for this service.

In a two-parent family, if both parents are required to participate and need separate vehicles, a policy exception must be requested prior to approving a vehicle purchase for a second parent.

A vehicle may be purchased for a currently employed client if the client needs a vehicle to accept a verified offer of a better job; or needs a vehicle to retain current employment; and has a demonstrated ability to maintain a job.

A vehicle may be purchased for a client who is not currently employed if the client:

- Has a demonstrated ability to maintain a job.
- Needs a vehicle to accept a verified job offer.
- Needs a vehicle to participate in family self-sufficiency activities that will prepare the client for employment.

In addition, ensure all of the following before authorizing the purchase:

Public transportation is not reasonably available (such as, considering the location and hours of the employment, child care or long commute as defined as good cause in BEM 233A), and the person has no other means to reach the job site reliably.

The client has the ability to afford any payments, insurance and other expenses associated with owning the vehicle.

The client has a valid Michigan driver's license.

Verify via the Secretary of State records that the client does not own an unusable vehicle.

The vehicle must be registered to an eligible group member and insured, at a minimum, for public liability and property damage (PLPD). Vehicle insurance, license plates, or vehicle registration are covered under *other ESS* in this item and do not reduce the \$5000 lifetime limit.

A vehicle inspection by a licensed mechanic is required and must be placed into the case file.

Vehicle purchases made by MDHHS are not exempt from use and sales tax collected by the Secretary of State.

Any payment authorized by MDHHS for the inspection or sales tax is not included in the \$5,000 limit; see *other ESS* in this item.

Before approving a vehicle purchase, the specialist must ensure that any additional payments above the allocation from the department are affordable by the client and will in no way hinder the client's progress towards self-sufficiency and financial independence. Confirm co-pay by client prior to approval.

Michigan Department of Health and Human Services employees are prohibited from selling any vehicle to any program recipient for DSS funds. BEM 232

Vehicle Repair or Purchase

Verify that the cost of the vehicle or repairs will not exceed the vehicle's retail value. Acceptable verifications are a written statement from, or phone call to, a vehicle dealer or via the NADA Appraisal Guide on the MDHHS-Net, internet sites. BEM 232

In this case, the vehicle Petitioner was requesting assistance to purchase was worth less than she was proposing to pay for the vehicle. Petitioner was proposing to pay \$4,000 when the Kelly Blue Book Value was \$3,654, therefore the denial was proper and correct and consistent with Department policy. BEM 232

The Department's Application Notice denial incorrectly stated that Petitioner failed to provide the Department with the information needed to determine eligibility. Petitioner did provide the required information, but Petitioner was not eligible for vehicle purchase assistance on a different basis.

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 Petitioner's DSS request because the vehicle was worth less than the proposed purchase price.

DECISION AND ORDER

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

AM/nr



Aaron McClintic
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
Amber Gibson
Ingham County DHHS
5303 South Cedar
Lansing, MI 48911
**MDHHS-Ingham-
Hearings@michigan.gov**

Interested Parties
Ingham County DHHS
BSC2
K. Schulze
E. Holzhausen
MOAHR

Via-First Class Mail :

Petitioner
[REDACTED]
[REDACTED]
[REDACTED], MI [REDACTED]