



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
SUZANNE SONNEBORN
EXECUTIVE DIRECTOR

MARLON I. BROWN, DPA
ACTING DIRECTOR

[REDACTED], MI [REDACTED]

Date Mailed: November 15, 2023
MOAHR Docket No.: 23-005377
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Linda Jordan

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 16, 2023, via teleconference. Petitioner appeared and represented herself. The Michigan Department of Health and Human Services (MDHHS or Department) did not appear.

ISSUE

Did MDHHS properly deny Petitioner's 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 [REDACTED] [REDACTED] 2023, Petitioner applied for CDC benefits on behalf of two minor children (Exhibit 1, p. 7-8).
2. On July 25, 2023, MDHHS sent Petitioner a Notice of Case Action indicating that her application for CDC benefits was denied because Petitioner's gross income exceeded the entry limit for the program (Exhibit 1, pp. 25-26).
3. On August 26, 2023, Petitioner requested a hearing regarding the denial of her application for CDC (Exhibit 1, 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. MDHHS 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, MDHHS denied Petitioner's request for CDC benefits because Petitioner's gross income exceeded the limit for the program. MDHHS did not appear at the hearing. Therefore, this decision is based on Petitioner's testimony and the documents in the Hearing Packet that MDHHS prepared for the hearing, which were admitted into evidence as Petitioner's Exhibit 1.

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 (January 2023), p. 1. At application, eligibility for CDC services exists when the MDHHS has established all of the following: there is a signed application and a request for CDC services; each child for whom CDC is requested is a member of a valid eligibility group; each parent meets the need criteria (family preservation, high school completion, an approved activity, or employment); and all other eligibility requirements are met. BEM 703, pp. 1-5. Groups that are not categorically eligible for CDC benefits (based on protective services, foster care, FIP related situations, migrant farmworkers, or homelessness) may be eligible for CDC if they pass the income eligibility test. BEM 703, pp. 13-17.

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 for the family size associated with the program entry limit. BEM 703, p. 16; RFT 270 (April 2023), p. 3. Income eligible families may have a co-payment amount called a family contribution. *Id.* MDHHS is required to complete a CDC budget at application and include the calculated amounts for the household income on the Notice of Case Action. BEM 525 (November 2021), p. 1. For income-eligible CDC determinations, the income of all program group members must be considered, as well as applicable exclusions. *Id.*

Although MDHHS alleged that Petitioner's CDC was denied for excess income, it did not include a budget on the Notice of Case Action or introduce a CDC income budget at

the hearing. MDHHS is required to complete a budget and to include the budget calculation on the Notice of Case Action. The record shows that it failed to do so here. MDHHS did not appear at the hearing to explain how it calculated the budget and determined that Petitioner was over income for the program.

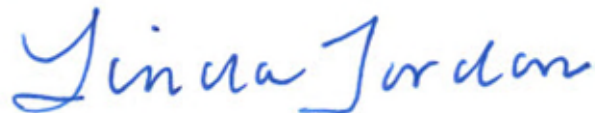
Accordingly, the Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that MDHHS failed to satisfy its burden of showing that it acted in accordance with Department policy when it denied Petitioner's application for CDC benefits.

DECISION AND ORDER

Accordingly, MDHHS' decision is **REVERSED**.

MDHHS 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. Reregister the [REDACTED] 2023, CDC Application.
2. Determine Petitioner's eligibility for CDC benefits from June 26, 2023, ongoing.
3. If Petitioner is eligible for CDC benefits, issue supplements to Petitioner or her providers for CDC benefits she that was eligible to receive but did not from June 26, 2023, ongoing; and
4. Notify Petitioner of its decision in writing.



LJ/nr

Linda Jordan
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
Caryn Jackson
Wayne-Hamtramck-DHHS
12140 Joseph Campau
Hamtramck, MI 48212
**MDHHS-Wayne-55-
Hearings@michigan.gov**

Interested Parties
Wayne 55 County DHHS
BSC4
L. Brewer-Walraven
MOAHR

Via-First Class Mail :

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