



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

MARLON I. BROWN, DPA  
DIRECTOR

[REDACTED]  
MI

Date Mailed: October 4, 2024  
MOAHR Docket No.: 24-008697  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Caralyce M. Lassner**

### **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 by telephone on September 4, 2024. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Rosemary Molsbee-Smith, Eligibility Specialist.

### **ISSUE**

Did the Department properly deny Petitioner 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] 2024, the Department received a CDC application from Petitioner for childcare for her [REDACTED] year old daughter, [REDACTED] (Daughter). Petitioner reported employment with Express Employment Professionals (EEP) and that she started a new job. (Exhibit A, pp. 6 – 11).
2. On June 13, 2024, the Department sent Petitioner a Verification Checklist (VCL) that requested verification of unknown unearned income by June 24, 2024. (Exhibit A, pp. 19 – 20).
3. On June 17, 2024, the Department received a paystub, dated June 14, 2024, from Petitioner from EEP. (Exhibit A, pp. 1, 30).

4. On June 28, 2024, the Department interviewed Petitioner regarding her CDC application. During the interview Petitioner provided additional information regarding her employment with EEP and updated information regarding her new job with [REDACTED] [REDACTED] ([REDACTED] (Exhibit A, pp. 12 – 18).
5. On June 28, 2024, the Department retrieved a Work Number report through Equifax regarding Petitioner's current employment that confirmed that Petitioner was actively employed with EEP as of June 21, 2024, and Petitioner's most recent pay date was June 21, 2024. (Exhibit A, pp. 22 – 23).
6. On July 5, 2024, the Department received two paystubs, dated June 17, 2024 and June 26, 2024, from Petitioner from RHI. (Exhibit A, pp. 1, 31 – 32).
7. On July 9, 2024, the Department received written confirmation that Petitioner was registered for temporary placement with RHI. (Exhibit A, p. 38).
8. On July 9, 2024, the Department sent Petitioner a Notice of Case Action (NOCA) that denied Petitioner CDC for Daughter based on no childcare need and failure to provide requested verifications. (Exhibit A, pp. 33 – 34).
9. On July 23, 2024, the Department received a request for hearing from Petitioner disputing the Department's denial of CDC. (Exhibit A, p. 4).

### **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 requested a hearing to dispute the Department's denial of her request for CDC. The Department denied Petitioner's CDC request because it concluded a) Petitioner was not working and did not have a need, and b) Petitioner failed to return requested verifications.

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 2024), p. 1. To qualify for CDC, clients must meet several eligibility requirements which includes establishing parental need for CDC for employment purposes (Employment Need), such as in Petitioner's case. BEM 703, pp. 1, 4. For purposes of CDC, Employment Need includes situations in which the client is required to be on call. BEM 703, p. 11. Though not defined by Department policy, in the employment setting, on call generally means to be available to work if contacted by the employer.

In this case, Petitioner applied for CDC on [REDACTED] 2024 and reported that she was working for EEP and also started a new job. (Exhibit A, pp. 6 – 11). When the Department interviewed Petitioner on June 28, 2024, Petitioner reported that the new job was with RHI and that she would accept assignments from either EEP or RHI if offered. (Exhibit A, pp. 12, 16). Both EEP and RHI are employment agencies, offering temporary and permanent positions, and the evidence established that as of June 28, 2024, Petitioner regularly worked temporary assignments for one or the other from June 3 through at least June 21 and had earnings on June 14, June 17, June 21, and June 26. (Exhibit A, pp. 16, 22 – 23, 30 – 32, 38). Petitioner testified that her employment with EEP and RHI required her to be available for work, with little advance notice, if contacted by her employers with a job assignment. Petitioner credibly testified that without childcare, she would not be able to accept assignments. Petitioner's description of her employment with EEP and RHI established that she is on call and has a valid need for CDC for purposes of employment. Because the Department acknowledged Petitioner's work history and work conditions but could not explain why Petitioner's circumstances did not satisfy the CDC Employment Need, it failed to satisfy its burden that it acted in accordance with Department policy in denying Petitioner's CDC application for lack of need.

The Department also concluded that Petitioner failed to return verification of unknown unearned income it requested on June 13, 2024. However, during the hearing, the Department acknowledged that Petitioner did not report any unearned income (Exhibit A, pp. 6 – 18) and could not explain why it requested such verification. Therefore, the Department did not act in accordance with policy when denied Petitioner CDC for failure to return verification.

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 failed to satisfy its burden of showing that it acted in accordance with Department policy when it denied Petitioner's CDC application.

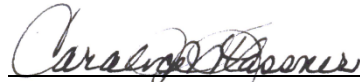
**DECISION AND ORDER**

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. Redetermine Petitioner's eligibility for CDC effective June 9, 2024 ongoing;
2. If Petitioner is eligible for CDC benefits, issue CDC benefits to Petitioner's provider for June 9, 2024 ongoing in accordance with policy;
3. Notify Petitioner of its decisions in writing.

CML/nr



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**Caralyce M. Lassner**  
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**

Yvonne Hill

Oakland County DHHS Madison Heights Dist.

30755 Montpelier Drive

Madison Heights, MI 48071

**MDHHS-Oakland-DistrictII-Hearings@michigan.gov**

**Interested Parties**

BSC4

L. Brewer-Walraven

MOAHR

**Via-First Class Mail :**

**Petitioner**

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