



GRETCHEN WHITMER  
GOVERNOR

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

MARLON I. BROWN, DPA  
DIRECTOR

[REDACTED]

Date Mailed: February 20, 2025  
MOAHR Docket No.: 24-013633  
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 teleconference on January 22, 2025 and the parties participated jointly by Microsoft Teams from the Michigan Department of Health and Human Services (Department) local office. Petitioner appeared and represented herself. The Department was represented by Thomas Jones, Assistance Payments Supervisor.

**ISSUE**

Did the Department properly close Petitioner's Family Independence Program (FIP) 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 FIP benefits for her four-person household that included her and her three children (Children), who were all under the age of [REDACTED] as of November 30, 2024.
2. On October 25, 2024, the Department received a redetermination application for FIP from Petitioner. (Exhibit A, p. 1).
3. On November 12, 2024, the Department interviewed Petitioner. Petitioner reported that her vehicle was not operational and she was no longer earning self-employment income.
4. On November 14, 2024, Petitioner started a part time job with [REDACTED] (BB). (Exhibit A, p. 17).

5. On November 21, 2024, the Department received a completed Employment Information form from Petitioner regarding her new employment with BB. (Exhibit A, p. 17).
6. On December 9, 2024, the Department sent Petitioner a Notice of Case Action (NOCA) to notify her that her FIP case was closed.
7. On December 9, 2024, the Department received a request for hearing from Petitioner, disputing the closure of her FIP case and that she did not receive a holiday supplement of FIP benefits for her children. (Exhibit 1, pp. 3 – 6).

### **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.

Petitioner requested a hearing to dispute the Department's closure of her FIP case and that she did not receive the Under 6 Lump-Sum payment for each of her children. The Department testified that it closed Petitioner's FIP case due to excess income and was unaware of the Under 6 Lump-Sum payment.

#### **FIP**

The FIP program is a cash assistance program designed to help individuals and families become self-sufficient. BEM 209 (January 2022), p. 1. In order to be eligible for FIP benefits, the certified group (CG) must be in financial need. BEM 518 (July 2023), p. 1; BEM 515 (February 2024), p. 1.

The Department testified that it issued a NOCA on December 9, 2024 to Petitioner that closed her FIP case due to excess income but no additional details regarding the closure were provided, such as the effective date. The Department introduced a FIP income budget that reflected that it included \$[REDACTED] in self-employment income and \$[REDACTED] in earned income when it determined Petitioner had excess income for FIP benefits. (Exhibit A, p. 15).

The Department testified that it calculated Petitioner's earned income based on the Employment Information form provided by Petitioner. However, Petitioner reported that the available work hours were not effective as of her hire date in November 2024 and

there was no evidence that the Department had information to the contrary. Additionally, Petitioner credibly testified that throughout the redetermination process she reported that she was no longer earning income from self-employment because her vehicle was not running. The Department acknowledged that it erroneously continued to budget self-employment income for Petitioner.

Based on the totality of the foregoing, the Department failed to establish that it acted in accordance with Department policy when it determined Petitioner's income and closed Petitioner's FIP case.

#### **Under 6 Lump-Sum Payment**

Pursuant to Economic Stability Administration (ESA) Memo 2024-45, issued November 8, 2024, the Department was to issue a payment of \$1,775 per child for each child who was under six years old in October 2024 and who was included in a FIP grant for the month of October 2024 or was receiving Supplemental Security Income (SSI) during that month. ESA Memo 2024-25. The payment was to be issued on November 15, 2024.

There was no evidence that Petitioner was not a FIP grantee for October 2024 or that Children were a) not included under Petitioner's FIP grant for that month, or b) not receiving SSI. Petitioner credibly testified that all three of her children were in her home and under six in October 2024 and that she did not receive the lump-sum payment for any of them. The Department was unaware of the Under 6 Lump-Sum payment prior to the hearing and was not able to explain why Petitioner did not receive payments on behalf of her three children. Therefore, the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it failed to issue lump-sum payments of \$ [REDACTED] for each of Petitioner's three children on November 15, 2024.

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 a) it closed Petitioner's FIP case due to excess income, and b) when it failed to issue lump-sum payments to Petitioner for each of her children pursuant to ESA 2024-25.

#### **DECISION AND ORDER**

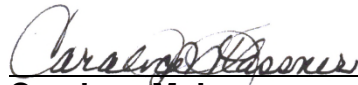
Accordingly, the Department's decision is **REVERSED**.

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 FIP eligibility effective the date Petitioner's FIP was closed;

2. If otherwise eligible, issue FIP supplements to Petitioner for benefits not previously issued;
3. Determine each of Petitioner's children's eligibility for the Under 6 Lump-Sum payment;
4. If eligible, issue the Under 6 Lump-Sum payment for each eligible child to the extent not previously issued; and
5. Notify Petitioner in writing of its decision.

CML/mp

  
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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**

Tracey Jones  
Oakland County Southfield District III  
25620 W. 8 Mile Rd  
Southfield, MI 48033  
**MDHHS-Oakland-6303-  
Hearings@michigan.gov**

**Interested Parties**

B. Sanborn  
MOAHR  
BSC4

**Via-First Class Mail :**

**Petitioner**

[REDACTED]