



**Date Mailed:** November 18, 2025

**Docket No.:** 25-034325

**Case No.:** [REDACTED]

**Petitioner:** [REDACTED]

This is an important legal document. Please have someone translate the document.

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এটি একটি গুরুত্বপূর্ণ আইনি ডকুমেন্ট। দয়া করে কেউ দস্তাবেজ অনুবাদ করুন।

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Ky është një dokument ligjor i rëndësishëm. Ju lutem, kini dikë ta përktheni dokumentin.

[REDACTED]  
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**Petitioner:** [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Christian Gardocki**

**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 via Microsoft Teams on October 22, 2025. Petitioner participated and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Daniella Sandler, supervisor.

**ISSUE**

The issue is whether MDHHS properly suspended Petitioner's Child and Development Care (CDC) eligibility.

**FINDINGS OF FACT**

The administrative law judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. As of November 3, 2024, Petitioner was approved for ongoing CDC benefits.
1. As of May 29, 2025, MDHHS registered Petitioner's mother, [REDACTED] (hereinafter, "Provider"), as Petitioner's CDC provider.
2. As of September 18, 2025, Provider had not received unspecified information to allow CDC billing.
3. On September 18, 2025, Petitioner requested a hearing to dispute the failure of MDHHS to send her and/or Provider further information to allow for CDC billing.

**CONCLUSIONS OF LAW**

The Child Development and Care (CDC) program is established by Titles IV-A, IV-E and XX of the Social Security Act, 42 USC 601 to 42 USC 619, 42 USC 670 to 42 USC 679c, and 42 USC 1397 to 42 USC 1397m-5; the Child Care and Development Block

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Grant of 1990, PL 101-508, 42 USC 9857 to 42 USC 9858r; and 42 USC 618 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193. The program is implemented by 45 CFR 98.1 to 45 CFR 99.33. MDHHS administers the program pursuant to MCL 400.10 of the Social Welfare Act, MCL 400.1 *et seq.*, and provides services to adults and children pursuant to MCL 400.14(1) and Mich Admin Code, R 400.5001 to R 400.5020. CDC policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner requested a hearing on September 18, 2025, to dispute CDC eligibility. Exhibit A, pp. 3-5. Specifically, Petitioner alleged that MDHHS failed to allow billing by her CDC provider since December 2024.<sup>1</sup> *Id.* Before an analysis of Petitioner's dispute may commence, administrative hearing jurisdiction must be established.

Regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in BAM 600 (June 2024) p. 5 and Mich Admin Code, R 792.10101 to R 792.10137 and R 792.11001 to R 792.11020. BAM 600 and Rule 792.11002(1) state that an opportunity for a hearing shall be granted to an applicant who requests a hearing because his or her claim for assistance is denied or is not acted upon with reasonable promptness, has received notice of a suspension or reduction in benefits, or exclusion from a service program, or has experienced a failure of the agency to consider the recipient's choice of service.

An Eligibility Summary verified that MDHHS approved Petitioner's eligibility for CDC benefits since at least November 3, 2024. Exhibit A, p. 7. MDHHS presented documentation that Provider was enrolled as Petitioner's CDC provider since May 29, 2025.<sup>2</sup> Exhibit A, p. 9. Although Petitioner testified that Provider performed daycare since December 2024, Petitioner's dispute was that Provider has not been able to bill for any CDC services performed.

Petitioner alleged that her CDC provider has not received CDC billing payments since performing daycare in December 2024. An inability of a CDC provider to bill for 10-11 months equates to a suspension of benefits regardless of the status of CDC benefits. Under the circumstances, an analysis may be undertaken concerning whether MDHHS effectively suspended Petitioner's CDC eligibility.

MDHHS policy categorizes CDC providers into licensed and license exempt providers. BEM 704 (October 2024). It is assumed that Petitioner's mother is a license exempt-

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<sup>1</sup> Neither CDC providers nor CDC recipients are entitled to administrative hearings based on a provider's denial or closure. BEM 804 (October 2024) p.18. The policy is not relevant to the present case because the evidence did not indicate that Provider's eligibility was denied or closed.

<sup>2</sup> MDHHS testimony indicated that a change to Provider's begin date may be proper.

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related provider category based on Provider being a grandmother to the child for which care is provided.<sup>3</sup>

To receive CDC subsidy payment for care of eligible children, a provider must complete and submit the appropriate application to be enrolled by the CDC office. *Id.* p. 4. Prior to enrollment, license exempt-related provider applicants must complete a telephone interview with CDC staff. *Id.* During the interview the applicant's age, identity, and place of residence will be confirmed. *Id.* Verification(s) may be requested if information does not match State of Michigan systems. *Id.* The provider applicant may also be subject to an address inquiry. *Id.*

License exempt-related providers and their household members are subject to the following background check clearances prior to enrollment: Central Registry, ICHAT, OTIS, and PSOR. *Id.*, p. 5. Clearances are completed on the provider/applicant. *Id.* If no match is found, clearances are completed on any confirmed adult household members entered in the MDHHS database on the Provider Associated Household People screen. *Id.* Enrollment is complete when the completed application has been received, the telephone interview has been conducted, all background check clearances have been returned, and the provider applicant meets all criteria to be a license exempt-related provider. *Id.*, p. 6. When an eligible provider is enrolled, MDHHS sends a DHS-4481-D, CDC License Exempt Provider Confirmation to the provider. *Id.*, p. 8.

To be eligible to receive the CDC subsidy, a provider applicant must also complete an initial health and safety training called License Exempt Provider Pre-service Training (LEPPT). *Id.*, p. 7. A provider who has not completed LEEPT within 5 months after enrollment may be closed due to failure to complete the required training. *Id.*, p. 8. Providers may still be assigned to a CDC case without the LEPPT being completed. BEM 706 (October 2024) p. 15. Once the training is completed, if appropriate, the provider shall receive a DHS-198, Child Development and Care (CDC) Provider Notice, indicating his/her ability to bill. *Id.*

Providers must use the CDC internet billing (I-Billing) system to bill for hours of childcare, absences, or childcare fees. *Id.*, p. 14. Personal identification numbers (PINs) are mailed to the provider when authorizations are initially certified in the MDHHS database. *Id.*

As discussed above, MDHHS testified that the local office approved Petitioner for CDC benefits and that Provider was enrolled as Petitioner's CDC provider. MDHHS also testified it could not explain why Provider was unable to bill for CDC services performed. MDHHS additionally testified that the local office's program manager made various

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<sup>3</sup> A license exempt-related provider must be all of the following: aged 18 years or older, cares for no more than six children at one time, provides care in the provider's home or where the child(ren) lives, related to the child(ren) by blood, marriage or adoption as one of the following: (Great) Grandparent, (Great) Aunt or Uncle, and/or sibling (allowable only if the provider lives at a different residence). BEM 804 (October 2024) p. 3.

efforts to investigate what, if anything, prevented Provider from billing; those efforts were ultimately unsuccessful.

Petitioner expressed suspicion that her provider was never issued a PIN to allow CDC billing. MDHHS policy directs CDC providers to call a specialized unit at 866-990-3227 for billing questions including replacement PINs. BEM 804 (October 2024) p. 19. Petitioner testified that she and her mother have called the specialized unit numerous times over the past few months. Petitioner further testified that the calls result in lengthy wait times (over an hour) which result in abrupt hang-ups or unhelpful information.

When an eligible provider is enrolled in the MDHHS database, MDHHS will send a DHS-4481-D, CDC License Exempt Provider Confirmation, to the provider. BEM 704, p. 8. When a provider is authorized to provide care for a CDC eligible child, MDHHS will send a DHS-198, Child Development and Care (CDC) Provider Notice, to the provider, and a DHS-198-C, Child Development and Care (CDC) Client Notice, to the client. *Id.* MDHHS did not provide copies of the DHS-4481, CDC License Exempt Provider Confirmation, DHS-198, Child Development and Care (CDC) Provider Notice, or a DHS-198-C, Child Development and Care (CDC) Client Notice to verify that Provider was issued the information needed to bill for childcare services.

The evidence did not establish the cause of the suspension of Petitioner's CDC eligibility. While MDHHS established that Petitioner was approved for CDC services and that Provider was enrolled as Petitioner's CDC provider, the evidence did not establish that MDHHS properly provided Petitioner and/or Provider with the required notices. Thus, Petitioner is entitled to a remedy that at least informs her and her CDC provider of required notice.

### **DECISION AND ORDER**

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS improperly suspended Petitioner's CDC eligibility. MDHHS is ordered to commence the following actions within 10 days of the date of mailing of this decision:

- (1) Send Petitioner and Provider notices concerning Provider's eligibility to bill for CDC services; and
- (2) If Provider is eligible to bill, allow Provider to bill for CDC services, including any supplements, in accordance with MDHHS policy.

The actions taken by MDHHS are **REVERSED**.



25-034325

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**CHRISTIAN GARDOCKI**  
**ADMINISTRATIVE LAW JUDGE**

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**APPEAL RIGHTS:** Petitioner may appeal this Hearing Decision to the circuit court. Rules for appeals to the circuit court can be found in the Michigan Court Rules (MCR), including MCR 7.101 to MCR 7.123, available at the Michigan Courts website at courts.michigan.gov. The Michigan Office of Administrative Hearings and Rules (MOAHR) cannot provide legal advice, but assistance may be available through the State Bar of Michigan at <https://irs.michbar.org> or Michigan Legal Help at <https://michiganlegalhelp.org>. A copy of the circuit court appeal should be sent to MOAHR. A circuit court appeal may result in a reversal of the Hearing Decision.

Either party who disagrees with this Hearing Decision may also send a written request for a rehearing and/or reconsideration to MOAHR within 30 days of the mailing date of this Hearing Decision. The request should include Petitioner's name, the docket number from page 1 of this Hearing Decision, an explanation of the specific reasons for the request, and any documents supporting the request. The request should be sent to MOAHR

- by email to [MOAHR-BSD-Support@michigan.gov](mailto:MOAHR-BSD-Support@michigan.gov), **OR**
- by fax at (517) 763-0155, **OR**
- by mail addressed to  
Michigan Office of Administrative Hearings and Rules  
Rehearing/Reconsideration Request  
P.O. Box 30639  
Lansing Michigan 48909-8139

Documents sent via email are not secure and can be faxed or mailed to avoid any potential risks. Requests MOAHR receives more than 30 days from the mailing date of this Hearing Decision may be considered untimely and dismissed.

**Via Electronic Mail:**

**Respondent**

OAKLAND COUNTY DHHS - SOUTHFIELD DIST  
25620 W 8 MILE RD  
SOUTHFIELD, MI 48033

**MDHHS-OAKLAND-6303-HEARINGS@MICHIGAN.GOV**



**Via First Class Mail:**

**Petitioner**

[REDACTED]

[REDACTED]

[REDACTED] MI [REDACTED]