
EFFECTIVE

July 1, 2013.

Subject(s)

Family Independence Program (FIP), Refugee Assistance Program (RAP), State Disability Assistance (SDA), Child Development and Care (CDC), Medicaid (MA), Direct Support Services (DSS), Food Assistance Program (FAP)

1. Michigan Combine Application Project (MiCAP) benefits.
2. Self-employment income verification sources.
3. New income types.
4. Income-producing real property.
5. FAP non-salable assets.
6. Vehicle verification.
7. FAP trafficking.
8. Interviews.
9. Child Development and Care.
10. Citizenship/alien status.
11. Self Serve Processing Center (SSPC), Healthy Kids/Plan First hearing contacts.
12. Department audits.
13. MA RSDI income.
14. IRS data matches.
15. MA updates to health insurance verification.
16. MA increase to the funeral allowance.
17. Administrative Handbook.
18. Medical review team (MRT) areas.

1) MiCAP Benefits

FAP

BEM 618

If a client's total monthly shelter expenses, heat and utility expenses are below \$1,000, the FAP benefit is reduced from \$186 per month to \$182 per month. If the client's total monthly shelter expenses are \$1,000 or higher, the FAP benefit amount is reduced from \$200 per month to \$196 per month.

The legal base was also updated.

Reason: Food and Nutrition Service (FNS) update.

Communication Plan: Office of Workforce Development and Training

2) Self-Employment Income Verification Sources

All Programs

BEM 245, 502

The acceptable self-employment income verification sources are changed. The primary verification source is the client's previous year's income tax return provided:

- The client hasn't started or ended self-employment, received an increase/decrease in income, etc.
- The tax return is still representative of future income.
- The client filed a tax return.

The secondary verification source is the DHS-431, Self-Employment Statement, with all income receipts to support claimed income.

The third verification source is the DHS-431 without receipts. When this verification source is used, a Front End Eligibility (FEE) referral is required. Do not open the case until the FEE investigation is completed.

Exception: Expedited FAP cases must be opened within the expedited standard of promptness regardless if the FEE investigation is complete.

Note: When a client requests CDC for self-employment, a FEE referral is always required.

Minor wording clarifications are also incorporated.

Reason: Fraud prevention, clarification.

Communication Plan: Office of Workforce Development and Training job aids.

3) New Income Types

All Programs

BEM 503

The following income types are added into policy: Medical Loss Ratio Rebates, Health Profession Opportunity Grants, and Cobell vs. Salazar Settlement Payments. Bridges excludes these income types.

Reason: FNS clarification, Affordable Care Act.

Communication Plan: Office of Workforce Development and Training.

FIP, RCA, SDA, MA, AMP, FAP

BEM 400

Medical Loss Ratio Rebates are treated as lump sum payments and are a countable asset in the month received. These rebates are lump sums and the glossary is updated to include the rebates.

Health Profession Opportunity Grants and Cobell vs. Salazar Settlement Payments are excluded as assets.

Minor clarifications are also incorporated.

Reason: FNS clarification, Affordable Care Act.

Communication Plan: Office of Workforce Development and Training.

4) Income-Producing Real Property

FAP Only

BEM 400

Time-share property is an excluded asset.

Reason: Policy clarification.

Communication Plan: Office of Workforce Development and Training.

5) FAP Non-Salable Assets

FAP

BEM 400

For active cases, the policy is updated to clarify that property may be up for sale by a real estate company, by owner, etc.

Reason: Policy clarification.

Communication Plan: Office of Workforce Development and Training.

6) Vehicle Verification

MA and FAP

BEM 400

The definitions for antique and classic car are added and can be found in the glossary.

When entering the Fair Market Value (FMV) in Bridges, enter the lowest trade-in value.

Reason: Policy clarifications.

Communication Plan: Office of Workforce Development and Training.

7) FAP Trafficking

FAP

BAM 700

The definition of FAP trafficking is updated to include:

- Dumping products in order to obtain a cash refund for the product deposit.
- Selling items purchased with FAP benefits and reselling for cash or other non-food items.

Reason: New federal regulations.

Communication Plan: Office of Workforce Development and Training.

8) Interviews

BAM 115

FAP

When clients' expenses exceed their income, the unclear or inconsistent information must be clarified and documented in the case.

Use the clients' average heat and utility bills they are responsible to pay; do not use the heat and utility standards. Determine if clients are behind on their bills, if someone else is paying their bills, etc. and document their current situation. If after resolving the unclear and inconsistent information you determine it is still questionable, open the case and refer to Front End Eligibility (FEE).

Reason: Management request.

Communication Plan: Office of Workforce Development and Training.

FIP

The local office may exempt a relative caretaker or unrelated caretaker ineligible grantee and dependent child member adds from the FIP interview requirements.

Reason: Policy clarification.

9) CDC**CDC****BAM 110****Application Filing and Registration**

Local DHS offices are no longer responsible to give clients the Child Development and Care Unlicensed Provider Application. Clients requesting this type of application should be referred to www.michigan.gov/childcare.

Reason: Unlicensed provider enrollment processing is now completed by the Michigan Department of Education (MDE).

Communication Plan: None needed.

BAM 220

Correction to reference in this item.

Reason: Policy referenced a form incorrectly.

Communication Plan: None needed.

BEM 223

The note requiring verification of an unlicensed provider's Social Security number has been removed.

Reason: This information is in BEM 704.

Communication Plan: None needed.

BEM 502**Income From Self-employment**

Income received from child care provided in the home of a provider is considered to be self-employment income. If income is received for care provided in the home of the child, the provider is considered to be employed by the parent and the income is budgeted as employment.

Reason: Payment for care provided by an unlicensed child care provider is now paid directly to the parent of the children in care.

Communication Plan: Office of Workforce Development and Training.

BEM 503

Income, Unearned

The budgeting of income received by a person who provides child care as an unlicensed provider has changed.

Reason: Payment for care provided by an unlicensed child care provider is now paid directly to the parent of the children in care.

BEM 703

Approved Activity

Job search is an acceptable activity only if it is part of the parent's Family Self-Sufficiency Plan. Allowable hours of job search cannot exceed:

- 80 hours per pay period, if participation is required by the One-stop service center (OSC) or the Michigan Works! Association (MWA).
- 20 hours per pay period, if the client is not participating with the OSC/MWA.

Reason: Clarification.

Communication Plan: Office of Workforce Development and Training.

BEM 704

Required Verifications For Unlicensed Providers

Policy now allows a copy of a valid birth certificate and a printout from the Social Security Administration (SSA), with the provider's information to be used in place of a copy of the provider's Social Security card.

An address inquiry is not required for a provider who is living in a shelter or a migrant camp.

Reason: Expedited provider application processing.

Communication Plan: None required.

Provider Changes

When a provider reports a change to his/her personal information, such as a name change, address, Social Security number, supporting verification may be required prior to the change being completed.

Reason: Program integrity.

Communication Plan: None needed.

BEM 706

Payments

Licensed and registered providers are required to register in the State of Michigan's Contract and Payment Express (C&PE) system, in order to receive payments.

Reason: Program integrity.

Communication Plan: Posted on Internet billing.

Payments for unlicensed child care providers are issued and mailed to the parent/substitute parent of the children in care.

Child Absences (Ill/holiday hours)

Child absence hours may be billed for any periods in which the child is not in care when he/she would have normally been in attendance. This includes periods when the provider is open for business as well as when the facility is closed.

Child absence hours cannot be billed in order to hold a spot for a child or if the child is not expected to return to the provider's care.

Reason: Alignment with other early childhood programs.

Communication Plan: None needed.

Annual Statements

Every January providers are mailed income information. Unlicensed providers are mailed the DHS-505, Unlicensed Provider Annual Statement of Child Care Payments, and licensed/registered providers are mailed Form 1099 MISC.

Reason: Change in how payments are issued for unlicensed providers.

BEM 707

Receipt of Application During Penalty Period and Reversed Decisions

This section has been deleted.

Reason: No longer relevant.

BEM 711

This item has been deleted.

Reason: No longer relevant.

10) CITIZENSHIP/ ALIEN STATUS

All Programs

BEM 225

As of 5/1/13, the I-94 will begin to be automated at certain airports in the U.S. Some of the I-94 information will be stamped on the unexpired foreign passport. Refugees, derivative asylees and parolees will continue to receive a paper I-94.

Minor wording clarification also incorporated.

Reason: I-94 automation.

Communication Plan: Office of Workforce Development and Training.

11) SELF SERVE PROCESSING CENTER(SSPC), HEALTHY KIDS/ PLAN FIRST HEARINGS

BAM 600

The hearing contacts for the SSPC, Healthy Kids/Plan First Units are removed from policy. These contacts are found with all local

office hearing contacts on the DHS-Net under Tools, Directories/Contact Info., local office contacts.

Reason: All hearing contacts can now be found on the DHS-Net.

Communication Plan: Office of Workforce Development and Training.

12) DEPARTMENT AUDITS

BAM 320

Department Audits has been updated to reflect current procedures.

Reason: Policy clarification.

Communication Plan: Office of Workforce Development and Training.

13) RSDI INCOME

Medicaid Only

BEM 503

Countable RSDI income for January, February and March disregards the cost-of-living adjustment received in January. For all other months the countable RSDI income is the gross amount for the month tested.

14) IRS DATA MATCHES

BAM 803

Removed references to Office of Inspector General (OIG) from the item.

Reason: IRS audit

15) HEALTH INSURANCE

BEM 546

Updated verification sources for start of health insurance. An application for insurance is not sufficient verification of an obligation.

**16) FUNERAL
ALLOWANCES****BAM 805**

The maximum funeral limits have had their annual increase.

**17)
ADMINISTRATIVE
HANDBOOK****BAM 315 and 316; BEM 201**

The Administrative Policy Manual (AHP) is obsolete. References to AHP have been removed.

Reason: Policy update.

18) MRT AREAS**BAM 815**

County assignments and MRT staffing changes have been updated.

Reason: Policy update.

EFFECTIVE

February, 2013.

1) Subject**Hearings****FAP****BAM 600**

Once DHS receives a request for a hearing, it will be scheduled unless the authorized hearing representative or if none, the client, signs a written withdrawal.

Minor wording clarifications are also incorporated.

Reason: FNS clarification.

Communication Plan: Office of Workforce Development and Training.

EFFECTIVE

March 1, 2013.

Subject**Redetermination's****FAP****BAM 210****Verifications Deadline**

An example is added to clarify how to process a DHS-1010, Redetermination, that is received within the last 10 days of the month and verifications are needed.

Subsequent Processing for Redeterminations

If a client files an application for redetermination before the end of the benefit period, but fails to take a required action, the case is denied at the end of the benefit period. Proceed as follows if the client takes the required action within 30 days after the end of the benefit period:

- Register the redetermination application using the date the client **completed** the process.
- If the client is eligible, prorate benefits from the date the redetermination application was registered.

Legal base updated and minor wording changes.

Reason: FNS clarification.

Communication Plan: Office of Workforce Development and Training.

**MANUAL
MAINTENANCE
INSTRUCTIONS**

Changed Items (content changes) ...

**BAM 110
BAM 115
BAM 210
BAM 220
BAM 315
BAM 316
BAM 320
BAM 600
BAM 700
BAM 803
BAM 805
BAM 815
BEM 201
BEM 223
BEM 225
BEM 245
BEM 400
BEM 502
BEM 503
BEM 546
BEM 618
BEM 703
BEM 704
BEM 706
BEM 707
BPG GLOSSARY**

Deleted Items ...

BEM 711