



STATE OF MICHIGAN
JOCELYN BENSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

April 30, 2025

NOTICE OF FILING

ADMINISTRATIVE RULES

To: Secretary of the Senate
Clerk of the House of Representatives
Joint Committee on Administrative Rules
Michigan Office of Administrative Hearings and Rules (Administrative Rule #24-027-HS)
Legislative Service Bureau (Secretary of State Filing #25-04-05)
Department of Health and Human Services

In accordance with the requirements of Section 46 of Act No. 306 of the Public Acts of 1969, being MCL 24.246, and paragraph 16 of Executive Order 1995-6, this is to advise you that the Michigan Office of Administrative Hearings and Rules filed Administrative Rule #2024-027-HS (Secretary of State Filing #25-04-05) on this date at 2:16 P.M. for the Department of Health and Human Services entitled, "Family Independence Program".

These rules become effective immediately after filing with the secretary of state unless adopted under section 33, 44, or 45a(9) of the administrative procedures act of 1969, 1969 PA 306, MCL 24.233, 24.244, or 24.245a. Rules adopted under these sections become effective 7 days after filing with the secretary of state.

Sincerely,

Jocelyn Benson
Secretary of State

Lashana Threlkeld, Departmental Supervisor
Office of the Great Seal

Enclosure



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

MARLON I. BROWN, DPA
DIRECTOR

April 30, 2025

The Honorable Jocelyn Benson
Secretary of State
Office of the Great Seal
Richard H. Austin Building – 1st Floor
430 W. Allegan
Lansing, MI 48909

Dear Secretary Benson:

Re: Michigan Administrative Rules #: 2024-27 HS

The Michigan Office of Administrative Hearings and Rules received administrative rules, dated July 8, 2024 for the Department of Health and Human Services “**Family Independence Program**”. We are transmitting these rules to you pursuant to the requirements of Section 46 of Act No. 306 of the Public Acts of 1969, being MCL 24.246, and paragraph 16 of Executive Order 1995-6.

Sincerely, 

Michigan Office of Administrative Hearings and Rules



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

MARLON I. BROWN, DPA
DIRECTOR

LEGAL CERTIFICATION OF RULES

I certify that I have examined the attached administrative rules, dated July 8, 2024, in which the Department of Health and Human Services proposes to modify a portion of the Michigan Administrative Code entitled “**Family Independence Program**” by:


- ♦ Amending R 400.3101 and R 400.3104.

The Legislative Service Bureau has approved the proposed rules as to form, classification, and arrangement.

I approve the rules as to legality pursuant to the Administrative Procedures Act, MCL 24.201 *et seq.* and Executive Order No. 2019-6. In certifying the rules as to legality, I have determined that they are within the scope of the authority of the agency, do not violate constitutional rights, and are in conformity with the requirements of the Administrative Procedures Act.

Dated: October 15, 2024

Michigan Office of Administrative Hearings and Rules

By: 
Emily Leik,
Attorney



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF HEALTH AND HUMAN SERVICES
LANSING


ELIZABETH HERTEL
DIRECTOR

CERTIFICATE OF ADOPTION

By authority conferred on the Department of Public Health by section 6 of the social welfare act, 1939 PA 280, MCL 400.6, the Director formally adopts the rules, "Family Independence Program".

R 400.3101 and R 400.3104 are amended in the Michigan Administrative Code.

Dated: October 18th, 2024



Elizabeth Hertel



Since 1941

Legal Division

Timothy H. Shields, Director

CERTIFICATE OF APPROVAL

On behalf of the Legislative Service Bureau, and as required by section 45 of the Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.245, I have examined the proposed rules of the Department of Health and Human Services dated July 8, 2024, amending R 400.3101 and R 400.3104 of the Department's rules entitled "Family Independence Program." I approve the rules as to form, classification, and arrangement.

Dated: October 15, 2024

LEGISLATIVE SERVICE BUREAU

By 

Rachel M. Hughart,
Legal Counsel

DEPARTMENT OF HEALTH AND HUMAN SERVICES

ECONOMIC STABILITY ADMINISTRATION

FAMILY INDEPENDENCE PROGRAM

Filed with the secretary of state on April 30, 2025

These rules take effect immediately after filing with the secretary of state unless adopted under section 33, 44, or 45a(9) of the administrative procedures act of 1969, 1969 PA 306, MCL 24.233, 24.244, or 24.245a. Rules adopted under these sections become effective 7 days after filing with the secretary of state.

(By authority conferred on the department of health and human services by section 6 of the social welfare act, 1939 PA 280, MCL 400.6)

R 400.3101 and R 400.3104 of the Michigan Administrative Code are amended, as follows:

R 400.3101 Definitions.

Rule 1. (1) As used in these rules:

(a) "Administrative recoupment" means a process by which a group's benefits are reduced to make payments on an over issuance.

(b) "Application" means an application for the family independence program.

(c) "Application filing date" means the date the department receives a signed application document that contains the minimum required information.

(d) "Authorized representative" means an individual who is not less than 18 years of age and who applies for assistance on behalf of a client or otherwise acts on a client's behalf, or both. The individual may be, but is not limited to being, a guardian, spouse, or relative outside the group.

(e) "Client error" means over issuances that are caused due to the action or inaction of a client or authorized representative. An over issuance resulting from a department action being deleted due to a client's hearing request is client error if the client withdraws the request, fails to appear for the hearing, or the department is upheld in the hearing decision.

(f) "Collection actions" means the department processes initiated to maximize the recovery of over issued benefits.

(g) "Department" means the department of health and human services.

(h) "Disqualification" means a department penalty action assessed for noncompliance with a family independence program requirement and results in the ineligibility of the noncompliant individual.

(i) "EBT" means electronic benefit transfer.

(j) "Eligible child" means a child who is part of a group that receives assistance under the family independence program.

(k) "FIP" means family independence program.

(l) "Immunizations" means all immunizations recommended by the department.

July 8, 2024

(m) "Institution" means an establishment that furnishes food, shelter, and some medical treatment or services to more than 3 individuals who are unrelated to the proprietor of the establishment.

(n) "Intentional program violation" means the intentional withholding or misrepresenting of information by a client or authorized representative for the purpose of obtaining benefits that the client or authorized representative would not otherwise be eligible for. Over issuances become intentional program violations if the client or client's authorized representative is found responsible for an intentional program violation by a court, as a result of an administrative hearing, or due to signing an agreement form.

(o) "Mandatory vendoring" means department payment of assistance amounts, without client request, directly to the client's landlord, mortgage holder, land contract holder, or the providers of the client's home heating and electricity services.

(p) "Minimum wage" means the lesser of the federal or state minimum wage.

(q) "Monthly payment amount" means the amount of assistance paid to the group after deductions for vendoring and any department recoupment.

(r) "Over issuance" means an issuance of more benefits than a client is eligible to receive.

(s) "Over issuance period" means the time period during which an over issuance occurs.

(t) "Pay period" means the half of the month from the first of the month to the fifteenth of the month or from the sixteenth of the month to the end of the month.

(u) "Payment standard" means the maximum monthly amount for the approved ongoing monthly certified group size.

(v) "Potential benefits" means any of the following benefits:

(i) Retirement, survivors, and disability insurance.

(ii) Worker's compensation benefits.

(iii) Veterans administration benefits.

(iv) Railroad retirement benefits.

(v) Unemployment compensation benefits.

(vi) Child support payments.

(vii) Pension payments.

(viii) Disability or retirement benefits.

(ix) Earned but unpaid wages.

(x) Strike pay.

(xi) Vacation pay.

(xii) Supplemental unemployment benefits.

(xiii) Supplemental security income.

(xiv) Other financial benefits for which potential eligibility exists and may reduce the family independence program benefit, other than state-funded, needs based programs.

(w) "RCA" means refugee cash assistance.

(x) "Recoupment" means a department action to identify and recover a benefit over issuance.

(y) "Redetermination" means a review of continuing eligibility for the family independence program.

(z) "Reinstatement" means restoring a closed assistance case to active status

without a new application or redetermination form.

(aa) "Repayment" means an action by the client to pay back benefits received.

(bb) "Restricted payments" means the meeting of client shelter, heat, and utilities obligations through mandatory vendoring or third-party payments.

(cc) "Returned warrants" means uncashed warrants received by the local department office or treasury.

(dd) "SDA" means state disability assistance.

(ee) "Stop payment" means a department directive to treasury to not honor a warrant.

(ff) "Striker" means an individual who is involved in any of the following situations:

(i) An employee strike.

(ii) A concerted work stoppage, including a stoppage when a collective bargaining agreement expires.

(iii) A work slowdown.

(iv) Interruption of work activities or employment operations.

(gg) "Third-party payments" means department payment of the client's entire assistance benefit, without client request, to an agency or individual outside the eligible group for management of the assistance on behalf of the group.

(hh) "Third-party resource" means an individual, entity, or program that is, or might be, liable to pay all or part of a group member's medical expenses.

(ii) "Treasury" means the department of treasury.

(jj) "Under issuance" means that a group has received less cash assistance than it is eligible to receive.

(kk) "Verification" means documentation or other evidence to establish the accuracy of the client's verbal or written statements.

(ll) "Voluntary vendoring" means a payment system where, at the group's request, the department sends part of the group's cash assistance directly to the provider of shelter, heat, or electricity.

(mm) "Warrant" means a written order to pay that instructs a federal, state, or county government treasurer to pay the warrant holder on demand or after a specific date.

(nn) "Warrant date" means the date shown on the warrant. For regular client and vendor warrants, the warrant date is the expected date of delivery. For replacement warrants, the warrant date is the date that the warrant is mailed by the department.

(2) Terms defined in the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, have the same meaning when used in these rules.

R 400.3104 Replacement policies for warrants and EBT thefts.

Rule 4. (1) A group is eligible for replacement of unendorsed warrants reported lost, stolen, not received, or destroyed if 1 or more of the following conditions are complied with:

(a) The group completes a stop payment or replacement request affidavit. For a stolen warrant, a group shall file a police report, unless replacement of the warrant is made after recovery of the warrant amount.

(b) A client or provider shall contact the post office to verify delivery of a warrant that was issued but not received. If delivery is verified, the warrant is considered lost. If delivery cannot be verified, the warrant is considered to be a warrant that is not received. For warrants considered not received, a client or provider shall complete a stop payment or replacement request affidavit.

(c) Under any of the following circumstances, a warrant must be replaced only after recovery of the original warrant amount:

- (i) Replacement is requested more than 30 calendar days after the warrant date.
- (ii) The client has previously requested a replacement after cashing the original warrant.
- (iii) A police report was not filed on a stolen warrant.
- (iv) The case is closed or closure is pending.
- (v) The warrant to be replaced is a replacement warrant or a vendor warrant.

(2) If a warrant is cashed by a recipient of cash assistance, the department shall not take action on a request to stop payment on the cashed warrant and a replacement warrant must not be issued.

(3) A warrant that is lost or stolen after endorsement must be replaced only if the warrant is later returned or voided.

(4) If a replacement warrant is issued for a warrant that was cashed and a client claims that the warrant copy signature is not that individual's signature, the client shall sign an affidavit that the signature is not the client's signature.

(5) If a replacement warrant is issued for a warrant that was cashed and the client fails to keep an appointment to view the warrant, refuses to sign the affidavit, or admits endorsing both the original and replacement warrants, the department shall recover the over issuance from the group.

(6) A group currently receiving ongoing FIP, RCA, or SDA may receive a replacement of its FIP, RCA, or SDA that was fraudulently removed from its EBT account. Both of the following conditions apply to a fraudulent removal from an EBT account:

- (a) A group is only eligible to receive this payment 1 time in a 12-month period.
- (b) Replacement funds can only be approved up to 4 times the payment standard or the amount that was fraudulently removed, whichever is less.

FILED WITH SECRETARY OF STATE

ON 4-30-25 AT 2:16 PM