

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF: [REDACTED]
Claimant

Reg. No: 2009-28925
Issue No: 4070
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
November 18, 2009
Ingham County DHS

ADMINISTRATIVE LAW JUDGE: Suzanne L. Keegstra

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon claimant's request for a hearing. After due notice, a telephone hearing was held on November 18, 2009. The claimant's mother (claimant is a minor), [REDACTED] appeared and provided testimony.

ISSUE

Did the department properly determine the claimant's State SSI Supplement beginning June, 2009?

FINDINGS OF FACT

The Administrative Law Judge, based upon the competent, material and substantial evidence on the whole record, finds as material fact:

1. The claimant is a minor child that receives SSI. (Department Exhibit 1 – 4).
2. On May 26, 2009, the claimant was mailed a Notice of State SSI Payment Change (DHS-430) that indicated the claimant's quarterly SSI payment was being reduced because the

Social Security Administration notified the department that the claimant did not receive the regular first of the month SSI check for the first two months of the year. (Department Exhibit 6).

3. The claimant's Federal SSI payments have not changed. (Department Exhibit 3).

4. A department caseworker emailed the Policy SSI-Bridges Coordination Unit on June 10, 2009, to attempt to fix the error, as it was determined that the claimant's federal SSI payments were received in each month and that the claimant was entitled to full State SSI supplement payments. (Department Exhibit 5).

5. The error has not been corrected and no response has been received by the local DHS office for resolution.

6. The claimant submitted a hearing request on June 5, 2009.

CONCLUSIONS OF LAW

The State Supplementary Security Income program was established pursuant to Title XVI of the Social Security Act in 42 USC 1381, *et seq.*, and implemented by the provisions of Title 20 of the Code of Federal Regulations (CFR). The Department of Human Services (DHS or department) administers the State SSI program pursuant to 2002 PA 529, MCL 400.10, *et seq.*, and by agreement between the State of Michigan and the United States Secretary of Health and Human Services (Secretary). Department policies are contained in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

Department policy indicates:

State Supplementary Payments are any payments made by a state or one of its political subdivisions (including any such payments for which reimbursement is available from the Social Security Administration pursuant to Public Law 94-23, as amended) to a recipient of Supplemental Security Income benefits (or to an

individual who would be eligible for such benefits except for income), if the payments are made:

1. In supplementation of the federal Supplemental Security Income benefits; ... and
2. Regularly, on a periodic reoccurring, or routine basis of at least once a quarter; and
3. In cash, which may be actual currency or any negotiable instrument, convertible into cash on demand; and
4. In the amount based on the need or income of the individual or couple. 20 CFR 416.2001.

Any agreement between the SSA and a state made pursuant to Section 416.2005 must provide that, if for optional supplementation, such state supplementary payments are made to all individuals and/or couples who are:

- (1) receiving (or at the option the state would, but for the amount of their income, be eligible to receive) Supplemental Security Income benefits under Title XVI of the Social Security Act, and... 20 CFR 416.2010.

SSI BENEFITS

Supplemental Security Income (SSI) is a cash benefit to needy persons who are aged (at least 65), blind or disabled. It is a federal program administered by the Social Security Administration (SSA). States are allowed the option to supplement the federal benefit with state funds. In Michigan, SSI benefits include a basic federal benefit and an additional amount paid with State funds. The amount of the state benefit varies by living arrangement. PEM, Item 660, p. 1.

Issued Benefits

The SSA issues the federal benefit to all SSI recipients. The SSA also issues the state funded benefit for SSI recipients in the following living arrangements:

- . Adult foster care
 - .. domiciliary care
 - .. personal care

- . Home for the aged
- . Institution
 - .. nursing home

Initially, a lump sum check may be issued for any retroactive benefits. Thereafter, SSA issues SSI benefits monthly, on the first of the month. PEM, Item 660, p. 1.

State SSI Payment

DHS issues the State SSI Payment (SSP) to SSI recipients in the following living arrangements:

- . Independent living
- . Household of another. (Living in the household of another person and receiving partial or total support and maintenance in kind from that person.) PEM, Item 660, p. 1.

Payments are made for only those months the recipient received a regular monthly federal benefit. **SSPs are NOT issued for retroactive or supplemental federal benefits.** PEM, Item 660, p. 1.

SSP benefits are issued quarterly. These benefits are paid the last month of each quarter. The yearly quarters are:

- . January through March
- . April through June
- . July through September
- . October through December

SSP warrants are issued to the payee designated by the SSA. PEM, Item 660, p. 1.

The department manager testified that the department's computer system, Bridges, appears to be causing an error to the claimant's case. The department manager testified that the claimant **is** receiving the full federal SSI payments and did not miss any monthly benefit, as the computer seems to show. Department policy requires the State supplement to be issued for any month that a claimant receives monthly federal benefits. PEM 660. The claimant has not missed

any monthly federal benefits, thus, the claimant is entitled to the full State SSI supplement payments.

The department manager produced an email that was sent to the Policy SSI-Bridges-Coordination Unit on June 10, 2009. This email requests help to correct the problem, as it seems to be involved with Bridges. The department manager testified that it is possible that the problem is occurring because [REDACTED] is on [REDACTED] case. [REDACTED] also receives SSI and the State supplement and each of the children should have their own cases. However, for some reason, [REDACTED] is appearing on [REDACTED] case. Whether this is the error or there is some other cause for the claimant's erroneous reduction in State SSI supplement payments, the error must be corrected, as the claimant is entitled to full State SSI supplement payments.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department improperly reduced the claimant's State SSI supplement payments.

Accordingly, the department's actions are REVERSED. The department shall:

1. Correct the error that is showing the claimant is not entitled to the full State SSI supplement and ensure the claimant's case show he is entitled to full State SSI supplement payments.
2. Issue the claimant any retroactive State SSI supplements that he is entitled to.

SO ORDERED.

/s/
Suzanne L. Keegstra
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: January 5, 2010

Date Mailed: January 6, 2010

NOTICE: Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

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