

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: 2009-6151
Issue No: 4013
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
August 13, 2009
Jackson County DHS

ADMINISTRATIVE LAW JUDGE: Ivona Rairigh

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 August 13, 2009. Claimant personally appeared and testified.

ISSUE

Did the department correctly take action to terminate claimant's State Disability Assistance (SDA) benefits in November, 2008?

FINDINGS OF FACT

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

1. Claimant was an SDA recipient when the department determined that he started receiving RSDI of \$532.00 per month.

2. On November 10, 2008, department computed an SDA budget counting claimant's RSDI. This budget resulted in determination of claimant having excess income for this program.

3. On November 10, 2008, department sent the claimant a notice that his SDA benefits will be cancelled effective November 22, 2008. Claimant requested a hearing on November 17, 2008 and continued to receive SDA pending the outcome of this hearing.

CONCLUSIONS OF LAW

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department of Human Services (DHS or department) administers the SDA program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3151-400.3180. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

Claimant objects to his RSDI being budgeted against his SDA grant. Department's policy states:

RETIREMENT, SURVIVORS, AND DISABILITY INSURANCE (RSDI) (AKA SOCIAL SECURITY BENEFITS)

All Programs

RSDI is available to retired and disabled persons, their dependents, and survivors of deceased workers.

Count the gross benefit amount as unearned income. PEM, Item 500, p. 29.

FINANCIAL NEED

FIP and SDA Only

Financial need exists if:

- . there is at least a \$1 deficit after income is budgeted, **and**
- . the group passes the Child Support Income Test.

Exception: A child support income test is not required for SDA groups. PEM, Item 518, p. 2.

If the group fails either test, the group is ineligible for assistance. Deny the application or close the case for the benefit month unless the group meets the conditions for Temporary Ineligibility of Extended FIP.

At application, if the group is ineligible due to excess income but a change is expected for the next benefit month, process the second month's benefit determination. If eligible, do not deny the application. PEM, Item 518, p. 2.

SDA payment standard for the claimant is \$269.00 per month, and that is the maximum amount of such benefits he is eligible to receive if he has no income. Claimant's RSDI income is \$532.00, and therefore no deficit exists that would allow for the claimant to continue receiving SDA. Claimant states in his hearing request that he should continue to receive both SDA and RSDI because he needs the money to pay his rent. While claimant's sentiments are understandable, department's policy clearly mandates that the department budget claimant's RSDI against his SDA grant, and department correctly did so.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department correctly took action to terminate claimant's SDA benefits in November, 2008.

Accordingly, department's action is AFFIRMED, and it is SO ORDERED.

/s/

Ivona Rairigh
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: August 17, 2009

Date Mailed: August 16, 2009

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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