

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER:

[REDACTED]

Reg No. 201031229
Issue No. 4011
Case No. [REDACTED]
Load No. [REDACTED]
Hearing Date: July 29, 2010
Kent County DHS

ADMINISTRATIVE LAW JUDGE: Jana A. Bachman

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the claimant's request for a hearing. After due notice, a telephone hearing was held on July 29, 2010.

ISSUE

Whether the Department of Human Services (department) properly determined claimant's eligibility for State Disability Assistance (SDA).

FINDINGS OF FACT

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

1. During June 2009 through October 2009, claimant was a recipient of SDA. On or about October 2009, it came to the department's attention that an error had been made on the income budget.
2. On or about January 2010, the department prepared SDA budgets for the time period June 2009 through October 2009. Gross income was [REDACTED] consisting of claimant's husband's [REDACTED] SOLQ Report, 11-17-2010. Payment standard for household was [REDACTED]. After all allowable deductions were taken, claimant had excess income to qualify. Department Exhibit A, pgs 1-5.

3. January 15, 2010, the department sent claimant written notice that the SDA had been overissued [REDACTED] for the time period June 1, 2009 through October 31, 2009. Department Exhibit A, pg 1.

CONCLUSIONS OF LAW

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2001 PA 82. The Family Independence Agency (FIA or agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3151-400.3180. Agency policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

Department manuals provide the following policy statements and instructions for caseworkers:

Spouses are responsible for each other. Needy spouses living together are expected to share income, assets, and expenses. SDA groups consist of either single individuals or spouses living together. The program group means those persons living together whose income and assets must be counted in determining eligibility for assistance. The eligible group means those persons in the program group who meet all the eligibility factors. For SDA, the program group consists of the client and client's spouse who lives with the client and does not receive Family Independence Program benefits, Refugee Assistance, or a Refugee Matching Grant. Bridges Eligibility Manual (BEM) 214; PA 386 of 1996.

A group's financial eligibility and monthly benefit amount are determined using the actual income received by the group and/or prospected income amounts i.e., those not received but expected. Only countable income is included in the determination. BEM 505; PA 386 of 1996; R 400.3164. Income from SSI benefits are not excluded and must be counted when determining eligibility for SDA. BEM 500; PA 386 of 1996

When a client receives more benefits than they are entitled to, DHS must attempt to recoup the overissuance (OI). An agency error OI is caused by incorrect action including delayed or no action by DHS staff or department processes. Some examples are available information was not used or was used incorrectly. Agency error OIs are pursued for recoupment if they exceed \$499 per program. Bridges Administrative Manual (BAM) 700; Annual Appropriations Act SDA. The OI period begins the first month when benefit issuance exceeds the amount allowed by policy. Or 12 months before the date the OI was referred to recoupment services whichever is later. The OI period ends the month before the benefit is corrected. BAM 705; Annual Appropriations Act.

After careful examination of the record, the Administrative Law Judge finds that the department properly determined claimant's program group, eligible group, budgetable income, and SDA overpayment. Claimant resides with her husband. Accordingly, claimant's husband is included in the program group. His [REDACTED] income is not excluded and must be counted when determining SDA eligibility. A standard deduction was included for claimant's husband, who is a mandatory program group member but not an eligible group member. In accordance with state and department policies, the department has established SDA issuance standards. These standards are set forth at Program Reference Table (RFT) 225 which provides that an eligible group of one has a monthly SDA payment standard of [REDACTED]. Accordingly, claimant had excess income to receive SDA during June 2009 through October 2009. Claimant was overpaid [REDACTED] during this period. The entire balance is owing to the department. The department is entitled to seek recoupment. Finding of Fact 1-3.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the department properly determined claimant's eligibility for State Disability Assistance and properly determined claimant's overissuance amount.

Accordingly, the department's action is, hereby, UPHELD.

/S/

Jana A. Bachman
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: December 10, 2010

Date Mailed: December 13, 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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