

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: 2010-14891
Issue No: 4031
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
March 9, 2010
St. Clair County DHS

ADMINISTRATIVE LAW JUDGE: Marlene B. Magyar

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 March 9, 2010. Claimant, his mother and his roommate personally appeared and testified.

ISSUE

Did the department properly deny claimant's ongoing State Disability Assistance (SDA) benefits at review?

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 is a 38-year-old high school graduate who has a sporadic work history in temporary service and general labor jobs.

(2) On January 7, 2008, the local Medical Review Team (MRT) approved disability-based MA/retro-MA/SDA, secondary to claimant's documented mental health treatment, and also, they scheduled a medical review of his condition for December 2008 (Department Exhibit #1, pgs 93 and 94).

(3) The department's approval was based on claimant's extensive mental health history and his diagnosis of Bipolar Disorder with Anti Social/Borderline Cluster B Personality Features (Department Exhibit #1, pgs 80-84 and 90-92).

(4) Claimant's initial medical review was delayed past December 2008; however, when MRT reviewed his case again in May 2009, MA was approved again, this time with a medical review scheduled for May 2010 (Department Exhibit #1, pgs 200 and 201).

(5) At the 2009 review, MRT inexplicably denied ongoing SDA benefits; however, the local office deleted claimant's SDA case closure because he filed a hearing request protesting MRT's decision.

((6) Claimant's hearing was held on March 9, 2010, two months before his next scheduled MA medical review (See also Finding of Fact #4 above).

CONCLUSIONS OF LAW

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department of Human Services (DHS or department) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

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).

The MA regulations require the department to use the same definition of “disabled” that is employed in determining eligibility under the Supplemental Security Income (SSI) disability program. 42 CFR 435.540(a). The SSI definition is:

...the inability to do any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.... 20 CFR 416.905.

The SDA program differs from the federal MA regulations in that the durational requirement is 90 days. This means that the person’s impairments must meet the SSI disability standards for 90 days in order for that person to be eligible for SDA benefits.

Additionally, the following regulations govern both programs:

...the medical evidence we will need for a continuing disability review will be that required to make a current determination or decision as to whether you are still disabled, as defined under the medical improvement review standard.... 20 CFR 416.993.

...If you are entitled to disability benefits as a disabled person age 18 or over (adult) there are a number of factors we consider in deciding whether your disability continues. We must determine if there has been any medical improvement in your impairment(s) and, if so, whether this medical improvement is related to your ability to work. If your impairment(s) has not so medically improved, we must consider whether one or more of the exceptions

to medical improvement applies. If medical improvement related to your ability to work has not occurred and no exception applies, your benefits will continue. Even where medical improvement related to your ability to work has occurred or an exception applies, in most cases, we must also show that you are currently able to engage in substantial gainful activity before we can find that you are no longer disabled. 20 CFR 416.994(b).

...To assure that disability reviews are carried out in a uniform manner, that a decision of continuing disability can be made in the most expeditious and administratively efficient way, and that any decision to stop disability benefits are made objectively, neutrally and are fully documented, we will follow specific steps in reviewing the question of whether your disability continues. Our review may cease and benefits may be continued at any point if we determine there is sufficient evidence to find that you are still unable to engage in substantial gainful activity. 20 CFR 416.994(b)(5).

The facts of record in this case are not disputed. The department approved claimant eligible for MA and continued this approval without lapse until his upcoming medical review, scheduled for May 2010.

The SDA disability standard is identical to the MA standard except for a shorter durational period of 90 days. Therefore, since the department has already decided claimant is MA eligible at least until his review in May 2010, he must also be deemed SDA eligible for the corresponding time period. Put simply, the department's proposed SDA case closure was premature and it cannot be upheld.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the department erroneously proposed to deny claimant's ongoing SDA benefits at review.

Accordingly, the department's action is REVERSED, and this case is returned to the local office for initiation of claimant's mandatory MA/SDA medical review in May 2010.

SO ORDERED.

/s/ _____
Marlene B. Magyar
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: March 16, 2010

Date Mailed: March 16, 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 receipt 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.

MBM/db

cc:

