

STATE OF MICHIGAN  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM  
FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Reg. No: 2010-15303  
Issue No: 4060

[REDACTED]

April 26, 2011  
Midland County DHS

ADMINISTRATIVE LAW JUDGE: Vicki L. Armstrong

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to 7 CFR 273.18; 45 CFR 233.20(a)(13); MCL 400.9; MCL 400.37; MCL 400.43(a); MAC R 400.941 and MCL 24.201, *et seq.*, upon a hearing request by the Department of Human Services (department) to establish an overissuance of benefits to Respondent. After due notice was mailed to Respondent, a hearing was held [REDACTED], at which Respondent did not appear. This matter having been initiated by the department and due notice having been provided to Respondent, the hearing was held in Respondent's absence in accordance with Bridges Administrative Manual, Item 725.

ISSUE

Whether Respondent received an overissuance of State Disability Assistance (SDA) benefits that the department is entitled to recoup?

FINDINGS OF FACT

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

1. Respondent was receiving SDA at all times pertinent to this hearing.
2. On [REDACTED], the department was processing a change on Respondent's case and found that Respondent's husband had not been entered as being in Respondent's household. (Hearing Summary).
3. Respondent received [REDACTED] in SDA benefits during the alleged fraud period of August 2009 through October, 2009. If the department had properly included Respondent's husband as a group member Respondent

would not have been eligible to receive SDA benefits during this time period. (Department Exhibits 1-8).

4. The department failed to include a member of Respondent's group in a timely manner, resulting in a SDA overissuance for the months of August 2009 through October, 2009, in the amount of [REDACTED]. (Department Exhibits 1-8).

### CONCLUSIONS OF LAW

The State Disability Assistance (SDA) program, which provides financial assistance for disabled persons, was 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. State Disability Assistance (SDA) is a cash program for individuals who are not eligible for the Family Independence Program (FIP) and are disabled or the caretaker of a disabled person. An SDA eligibility determination group (EDG) consists of either a single adult or adult and spouses living together. BEM 214.

The eligibility determination group (EDG) means those adults living together whose information is needed to determine SDA Eligibility. Only an adult individual and his or her spouse who live together are included in an SDA eligibility determination group (EDG). The certified group (CG) means those persons in the EDG who meet all non-financial SDA eligibility factors. Countable income and assets of certified group (CG) members are always considered in determining SDA eligibility. BEM 214.

Departmental policy, states that when the client group receives more benefits than the group is entitled to receive, DHS must attempt to recoup the overissuance (OI). Repayment of an OI is the responsibility of anyone who was an eligible, disqualified, or other adult in the program group at the time the OI occurred. Bridges will collect from all adults who were a member of the case. OIs on active programs are repaid by lump sum cash payments, monthly cash payments (when court ordered), and administrative recoupment (benefit reduction). OI balances on inactive cases must be repaid by lump sum or monthly cash payments unless collection is suspended. BAM 725.

When the department was processing a change on Respondent's case on September 28, 2009, the department found that Respondent's husband had not been entered as being in her household. After the department added Respondent's husband to her case, Respondent was found to have excess income for SDA benefits due to the addition of her husband's income, and the department closed Respondent's SDA case. Based on the department's failure to properly include Respondent's husband's income in her initial budget, Respondent received [REDACTED] in SDA benefits that she was not entitled too during the period of August 2009 through October, 2009.

This Administrative Law Judge finds that the evidence presented by the department shows that Respondent received more benefits that she was entitled to receive. Therefore, Respondent is responsible for repayment of the overissuance.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that Respondent received an overissuance of SDA benefits for the time period of August 2009 through October, 2009, that the department is entitled to recoup.

The department is therefore entitled to recoup SDA overissuance of [REDACTED] from Respondent.

It is SO ORDERED.

/s/ \_\_\_\_\_  
[REDACTED]

Date Signed: 4/28/11

Date Mailed: 4/28/11

**NOTICE:** The law provides that within 60 days of mailing of the above Decision the Respondent may appeal it to the circuit court for the county in which he/she resides or has his or her principal place of business in this state, or in the circuit court for Ingham County. Administrative Hearings, on its own motion, or on request of a party within 60 days of the mailing date of this Hearing Decision, may order a rehearing.

[REDACTED]