

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

IN THE MATTER OF:



Reg. No.: 201138310
Issue No.: 4019
Case No.: [REDACTED]
Hearing Date: August 4, 2011
Wayne County DHS (31)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 August 4, 2011 from Detroit, Michigan. The claimant appeared and testified. On behalf of Department of Human Services (DHS), [REDACTED], Specialist, appeared and testified.

ISSUE

Whether DHS over-recouped State Disability Assistance (SDA) benefits from Claimant's Supplemental Security award.

FINDINGS OF FACT

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

1. Claimant was an ongoing SDA recipient.
2. On an unspecified date, Claimant signed a repay agreement that stated Claimant would repay DHS for any SDA payments Claimant received while his SSI application was pending if he was awarded SSI benefits.
3. From 11/2009-1/2011, Claimant received a total of \$3697 in SDA benefits.
4. On 1/12/11, Claimant was awarded Supplemental Security Income (SSI) benefits.

5. Claimant's SSI award included a back payment of \$3497 that was sent from Social Security Administration to DHS for repayment of SDA benefits Claimant received since the SSI benefit application was submitted.
6. On 5/11/11, Claimant requested a hearing to dispute the recoupment of Claimant's SSI award.

CONCLUSIONS OF LAW

The SDA program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3151-400.3180. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

The undersigned will refer to the DHS regulations in effect as of 1/2011, the estimated month of the DHS decision which Claimant is disputing. Current DHS manuals may be found online at the following URL: <http://www.mfia.state.mi.us/olmweb/ex/html/>.

SDA clients must sign an agreement to repay interim SDA when pursuing a potential benefit. BEM 272 at 1. Repay agreements are required for most lump sum payments (e.g., inheritances, insurance settlements) and accumulated benefits paid retroactively (e.g., SSI, Unemployment Compensation, Workers Compensation). *Id.*

Claimant testified that he felt forced into signing the repay agreement and that he was taken advantage of by DHS because of his disability. If Claimant did not want to repay DHS for SDA benefits he received during the period of his SSI application process, Claimant's remedy was to forego the receipt of SDA benefits. Claimant's complaint concerning signing the repay agreement was utterly meritless.

Claimant also contended that DHS recouped his SSI payments for Food Assistance Program (FAP) benefits. Claimant provided no proof during the hearing for this issue. Claimant provided evidence following the hearing that DHS recouped \$3497 from the accumulated SSI award, though there was no evidence that any of the recoupment was for FAP benefits.

The client must repay the regular, vendored and supplemental SDA paid during the interim assistance period. *Id.* at 3. The repay amount for accumulated benefits (e.g. retroactive SSI) is the SDA amount owed or the windfall amount covering the interim assistance period, whichever is less. *Id.* The interim assistance period for SSI accumulated benefits begins with the SDA pay period containing the retroactive SSI begin date. *Id.*

The retroactive SSI begin date was 3/2009. Beginning 3/2009, Claimant received a total of \$3766 in SDA benefits over the period from 11/2009-1/2011. Thus, Claimant is correct that DHS miscalculated the amount to be recouped. DHS actually under-recouped Claimant's SSI benefits by taking only \$3497 of Claimant's SSI award. The undersigned lacks the authority to order DHS to seek further repayment of SDA benefits though nothing within this decision would prevent DHS from seeking further repayment.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS did not over-recoup Claimant's SSI benefits for repayment of SDA benefits. The actions taken by DHS are AFFIRMED.



Christian Gardocki
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: August 5, 2011

Date Mailed: August 5, 2011

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 60 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.

CG/hw

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