

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2011-1392
Issue No.: 4031
Case No.: [REDACTED]
Hearing Date: January 12, 2011
Wayne County DHS (41)

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 January 12, 2011. The claimant appeared and testified. On behalf of Department of Human Services (DHS), [REDACTED], Manager, appeared and testified.

ISSUE

Whether DHS properly terminated Claimant's eligibility for State Disability Assistance (SDA) benefits due to Claimant's failure to meet the program's disability requirements.

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 ongoing SDA recipient.
2. Claimant's basis for SDA eligibility was as a participant with Michigan Rehabilitation Services (MRS).
3. Claimant's participation with MRS eventually ended.
4. Upon learning of Claimant's participation with MRS ending, DHS terminated Claimant's SDA benefits effective benefit month 8/2010.
5. On 7/19/10, Claimant requested a hearing disputing the termination of SDA benefits.

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 (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).

To receive SDA, a person must be disabled, caring for a disabled person, or age 65 or older. BEM 261 at 1. It was not disputed that Claimant was not 65 years or older and was not caring for a disabled person. Thus, Claimant's only basis for SDA benefits would be as a disabled person.

A person is disabled for SDA purposes if he/she:

- Receives other specified disability-related benefits or services (see Other Benefits or Services below), or
- Resides in a qualified Special Living Arrangement facility, or
- Is certified as unable to work due to mental or physical disability for at least 90 days from the onset of the disability, or
- Is diagnosed as having Acquired Immunodeficiency Syndrome. BEM 261 at 1.

As used above, "Other benefits or services" includes any of the following listed benefits or services:

- Retirement, Survivors and Disability Insurance (RSDI), due to disability or blindness
- Supplemental Security Income (SSI), due to disability or blindness
- Medicaid based on blindness or disability
- Certain MRS services
- Michigan Commission for the Blind services
- Certain special education services
- Certain refugee or asylee losing their SSI eligibility. *Id* at 2.

Claimant's original basis for SDA benefit eligibility was as a participant with MRS. Once Claimant's participation with MRS stopped, Claimant's basis for receiving SDA benefits stopped. Accordingly, DHS properly terminated Claimant's SDA benefits as Claimant no longer met the disability requirement to continue receiving SDA benefits.

If the client's circumstances change so that the verification method used to establish eligibility is no longer valid, DHS is to obtain new verification following policy in BAM 130. BEM 261 at 5. DHS regulations specifically cite the example of a client no longer participating in Michigan Rehabilitation Services or Special Education having to provide medical evidence to establish a disability. *Id*. DHS is also specifically directed to not

immediately send a negative action notice for case closure; DHS must first request verification according to policy in BAM 130. *Id.*

Though the evidence was somewhat lacking, Claimant testified that reported to DHS that he was physically disabled prior to his SDA benefit termination. DHS provided no evidence to rebut Claimant's testimony. DHS failed to establish that any verification was requested from Claimant concerning Claimant's physical disability prior to the SDA benefit termination. This failure is found to be fatal to the DHS contention that Claimant's SDA benefits were properly terminated. It is found that DHS improperly terminated Claimant's SDA benefits as DHS failed to request verification from Claimant concerning a basis for physical disability prior to the SDA benefit termination.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS improperly terminated Claimant's SDA benefits effective 8/2010. It is ordered that DHS reinstate Claimant's SDA benefits to the date of termination, supplement Claimant for any unissued SDA benefits and to make verification requests concerning Claimant's eligibility for SDA benefits based on a physical disability prior to SDA benefit termination based on a failure by Claimant to meet the disability requirement for SDA benefits.



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

Date Signed: 1/18/2011

Date Mailed: 1/18/2011

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 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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