

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

**IN THE MATTER OF:**



Reg. No.: 201247940  
Issue No.: 4001  
Case No.: [REDACTED]  
Hearing Date: August 27, 2012  
County: Wayne (43)

**ADMINISTRATIVE LAW JUDGE:** Alice C. Elkin

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claimant's request for a hearing. After due notice, a telephone hearing was held on August 27, 2012, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Eligibility Specialist.

**ISSUE**

Did the Department properly process Claimant's application for State Disability Assistance (SDA)?

**FINDINGS OF FACT**

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

1. On February 24, 2012, Claimant filed an application, indicating on the first page that she was applying for cash assistance.
2. The Department concluded that Claimant had not properly applied for SDA and advised her to complete another application.
3. On April 12, 2012, Claimant filed a request for hearing, disputing the Department's action.

**CONCLUSIONS OF LAW**

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT).

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 42 USC 601, *et seq.* The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10, *et seq.*, and Mich Admin Code, R 400.3101 through R 400.3131. FIP replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

The Food Assistance Program (FAP) [formerly known as the Food Stamp (FS) program] is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations (CFR). The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, *et seq.*, and Mich Admin Code, R 400.3001 through R 400.3015.

The Medical Assistance (MA) program is established by the 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 (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105.

The Adult Medical Program (AMP) is established by 42 USC 1315, and is administered by the Department pursuant to MCL 400.10, *et seq.*

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 Mich Admin Code, R 400.3151 through R 400.3180.

The Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, the Child Care and Development Block Grant of 1990, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The program is implemented by Title 45 of the Code of Federal Regulations, Parts 98 and 99. The Department provides services to adults and children pursuant to MCL 400.14(1) and Mich Admin Code, R 400.5001 through R 400.5015.

Additionally, a person may request or apply for SDA benefits in any local office in Michigan, and the application must be processed by the local office. BAM 110 (December 1, 2011), p 13. In this case, Claimant filed a filing form and an application seeking cash assistance on February 24, 2012. Even though Claimant had marked off on the first page of the application and the first page of the filing form that she was applying for cash assistance and completed and signed both forms, Claimant explained

that she erroneously marked in item 16 on page C of the application that she was not seeking assistance because she was misled by the prior question. Based on Claimant's response to item 16, the Department concluded that Claimant was not applying for benefits. The Department testified that it advised Claimant to complete a new application so that the application for SDA benefits could be properly routed to the Medical Review Team (MRT) for determination of whether she was disabled. See BEM 261 (January 1, 2012), p 3.

When an application is submitted containing the minimum information required to register the application but not enough information to determine eligibility, the Department must retain the application and give the client a Verification Checklist requesting that the client contact the Department to complete the missing information, the due date for missing information and the interview date, if applicable. BAM 115 (December 1, 2011), p 4. The Department may not deny an incomplete application until ten calendar days from the later of either (i) the initial request in writing to the applicant to complete the application form or supply missing information or (ii) the initial scheduled interview. BAM 115, p 5. Furthermore, when an application is considered valid, a client may update a current application rather than complete a new one to add a program. BAM 115, p 12.

In concluding that Claimant had not intended to file for cash benefits, the Department relied on the checked box on page C of the application and ignored the fact that Claimant completed the entire application form and the filing form, marked the box on the front page of both forms that she was applying for cash assistance, signed both forms, and filed both forms with the Department. The Department did not act in accordance with BEM 115 when it failed to either (i) advise Claimant that her application was incomplete and request that she provide necessary information or clarification or (ii) allow her to update the application to clarify the program for which she was applying.

At the hearing, the Department also contended that Claimant's February 24, 2012 application was not processed because Claimant had already filed an application for SDA benefits. The Department did not present any evidence of a previously-filed application. Furthermore, the Department must register *all* applications that contain at least the name of the applicant, birth date of the applicant, address of the applicant, and signature of the applicant. BAM 105 (December 1, 2011), p 1; BAM 110 (December 1, 2011), pp 16-17. Once the Department receives an application or filing form with the minimum required information, it must process the application within the standard of promptness, which for SDA applications is 60 days from the registration date. BAM 115 (December 1, 2011), p 13. The Department must notify a client in writing of positive and negative actions by generating the appropriate notice of case action. BAM 220 (May 1, 2012), p 1. Even where a client withdraws an application, the Department must send the client a Notice of Case Action to confirm the withdrawal. BAM 110, pp 15, 19. In failing to take any action with respect to the February 24, 2012 application, the Department did not act in accordance with Department policy.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department

did act properly when

did not act properly when failed to register and process Claimant's February 24, 2012 SDA application.

Accordingly, the Department's decision is  AFFIRMED  REVERSED for the reasons stated on the record and above.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Register Claimant's February 24, 2012 SDA application;
2. Begin processing the application in accordance with Department policy and consistent with this Hearing Decision, including allowing Claimant to clarify her February 24, 2012 application;
3. Issue supplements for any SDA benefits Claimant was eligible to receive but did not from February 24, 2012, ongoing; and
4. Notify Claimant in writing of its decision in accordance with Department policy.



**Alice C. Elkin**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: September 7, 2012

Date Mailed: September 7, 2012

**NOTICE:** Michigan Administrative Hearing System (MAHS) 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. MAHS 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. (60 days for FAP cases).

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.

Claimant may request a rehearing or reconsideration for the following reasons:

- A rehearing **MAY** be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.
- A reconsideration **MAY** be granted for any of the following reasons:

- misapplication of manual policy or law in the hearing decision,
- typographical errors, mathematical error, or other obvious errors in the hearing decision that effect the substantial rights of the claimant:
- the failure of the ALJ to address other relevant issues in the hearing decision.

Request must be submitted through the local DHS office or directly to MAHS by mail at  
Michigan Administrative Hearings  
Reconsideration/Rehearing Request  
P. O. Box 30639  
Lansing, Michigan 48909-07322

ACE/hw

cc:

