

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

IN THE MATTER OF:

[REDACTED]
[REDACTED]
[REDACTED]

Reg. No.: 2013-35019
Issue No.: 4003
Case No.: [REDACTED]
Hearing Date: June 20, 2013
County: Wayne (43)

ADMINISTRATIVE LAW JUDGE: Zainab Baydoun

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 June 20, 2013, from Detroit, Michigan. Claimant appeared and testified. Participants on behalf of the Department of Human Services (Department) included [REDACTED] Eligibility Specialist.

ISSUE

Did the Department properly ☒ deny Claimant's application ☐ close Claimant's case for:

- | | |
|---|--|
| ☐ Family Independence Program (FIP)? | ☐ Adult Medical Assistance (AMP)? |
| ☐ Food Assistance Program (FAP)? | ☒ State Disability Assistance (SDA)? |
| ☐ Medical Assistance (MA)? | ☐ Child Development and Care (CDC)? |

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 ☒ applied for benefits ☐ received benefits for:

- | | |
|---|--|
| ☐ Family Independence Program (FIP). | ☐ Adult Medical Assistance (AMP). |
| ☐ Food Assistance Program (FAP). | ☒ State Disability Assistance (SDA). |
| ☐ Medical Assistance (MA). | ☐ Child Development and Care (CDC). |

2. On November 16, 2012, the Department
☒ denied Claimant's application ☐ closed Claimant's case

due to Claimant's failure to verify information necessary
3. On February 13, 2013, the Department sent
☒ Claimant ☐ Claimant's Authorized Representative (AR)
notice of the ☒ denial. ☐ closure.
4. On March 11, 2013, Claimant filed a hearing request, protesting the
☒ denial of the application. ☐ closure of the case.

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 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, Rule 400.3151 through Rule 400.3180.

Additionally, verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (May 2012), p.1. The Department will request verification when information regarding an eligibility factor is unclear, inconsistent, incomplete or contradictory. The questionable information might be from the client or a third party. BAM 130, p.1. To request verification of information, the Department sends a Verification Checklist (VCL) which tells the client what verification is required, how to obtain it, and the due date. BAM 130, pp. 2-3. Clients are given 10 calendar days (unless otherwise specified by policy) to provide the verifications requested by the Department. Verifications are considered to be timely if received by the date they are due. BAM 130, p.5. The Department sends a negative action notice when the client indicates a refusal to provide a verification or the time period given has elapsed and the client has not made a reasonable effort to provide it. BAM 130, p. 5.

In this case, Claimant submitted an application for SDA benefits on October 24, 2012. In processing Claimant's application, the Department testified that the Medical Review Team (MRT) had questions regarding Claimant's treatment at a particular facility and instructed the Department to contact Claimant to retrieve information on his treatment there. The Department presented a Medical Social Eligibility Certification form with a handwritten note from a MRT member, dated December 20, 2012 in support of its testimony. (Exhibit 2). On December 27, 2012, the Department sent Claimant a Quick Note instructing him to contact his case worker regarding his case by January 7, 2013 and informing him that a failure to do so would result in the denial of his SDA

application. (Exhibit 1). The Department testified that because Claimant did not contact the Department regarding the medical documentation requested, Claimant's application for SDA was denied. On February 13, 2013, the Department sent Claimant a Notice of Case Action informing him of the denial based on a failure to verify necessary information. (Exhibit 3).

Claimant credibly testified that he contacted the Department after receiving the Quick Note and inquired about what information he was required to submit, prior to January 7, 2013. Claimant stated that he spoke to his case worker and that his case worker informed him that she was not sure what documentation he needed to submit and stated that she would contact him when she had additional information. Claimant further testified that he had previously submitted information regarding his treatment at the facility in question and spoke to his case worker about the information before he received the Quick Note. At the hearing, the Department was unable to refute this testimony, as Claimant's case worker was not present. Rather than send Claimant a VCL requesting verification of the information needed by the MRT as required by BAM 130, the Department only asked that Claimant contact his case worker regarding his case, which he did. The Department did not present any evidence regarding what information Claimant failed to verify or how he failed to allow the Department to verify information necessary to determine his eligibility for SDA, as indicated on the Notice of Case Action. (Exhibit 3).

Under the facts in this case, because Claimant credibly testified that he contacted his case worker as instructed in the Quick Note and the Department did not request verifications from Claimant through a VCL as required under policy, the Department did not act in accordance with Department policy when it denied Claimant's application for SDA benefits based on a failure to verify requested information.

Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, the Administrative Law Judge concludes that the Department

☐ properly denied Claimant's application ☒ improperly denied Claimant's application
☐ properly closed Claimant's case ☐ improperly closed Claimant's case

for: ☐ AMP ☐ FIP ☐ FAP ☐ MA ☒ SDA ☐ CDC.

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. ☒ did not act properly.

Accordingly, the Department's ☐ AMP ☐ FIP ☐ FAP ☐ MA ☒ SDA ☐ CDC decision is ☐ AFFIRMED ☒ REVERSED for the reasons stated on the record.

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

1. Reregister Claimant's October 24, 2012 application for SDA benefits;
2. Begin reprocessing the application in accordance with Department policy and consistent with this Hearing Decision;
3. Begin issuing supplements to Claimant for any SDA benefits that he was eligible to receive but did not from October 24, 2012 ongoing in accordance with Department policy; and
4. Notify Claimant of its decision in writing in accordance with Department policy.



Zainab Baydoun

Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: July 10, 2013

Date Mailed: July 10, 2013

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 affect the substantial rights of the claimant:
 - failure of the ALJ to address other relevant issues in the hearing decision.

2013-35019/ZB

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

ZB/cl

cc:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
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