

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

**IN THE MATTER OF:**



Reg. No.: 201347610  
Issue No.: 4003  
Case No.: [REDACTED]  
Hearing Date: June 12, 2013  
County: Wayne Count (#55)

**ADMINISTRATIVE LAW JUDGE: MICHELLE HOWIE**

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claimant's May 10, 2013 request for a hearing. After due notice, a telephone hearing was conducted on Wednesday, June 12, 2013, from Detroit, Michigan. The Claimant appeared and testified. Participant on behalf of Department of Human Services (Department) was [REDACTED] (Eligibility Specialist).

**ISSUE**

Whether the Department properly closed Claimant's State Disability Assistance (SDA) benefits?

**FINDINGS OF FACT**

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

1. The Claimant was an ongoing SDA recipient.
2. The Claimant was receiving services through Michigan Rehabilitation Services with an active Individualized Plan for Employment (IPE) dated March 29, 2012. (Exhibit 1)
3. On April 2, 2103 the Department received Claimant's online request to add FAP and MA benefits to his case.

4. On April 12, 2013, the Department processed the request. A verification checklist (VCL) was sent requesting verification of assets and residential address. (Exhibits 2 & 3).
5. On April 22, 2013, the Department received Claimant's verification of assets but no proof of residential address. (Exhibit 4)
6. The Department subsequently received Claimant's copy of ID as proof of residence.
7. The Claimant's SDA benefits were pended to close effective June 1, 2013. FAP benefits were opened.
8. On May 10, 2013 the Department received Claimant's written hearing request protesting the Department Action.

### **CONCLUSIONS OF LAW**

As a preliminary matter the Claimant testified that he had no issue regarding his FAP benefits. The Department approved him for FAP and he is currently receiving FAP benefits. Therefore, the hearing request in regards to the FAP benefits is dismissed.

The Department of Human Services (DHS) policies are contained in the 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 2000 ACS, R 400.3151 through R 400.3180.

In determining initial and ongoing program eligibility Claimants must cooperate with the local office to include the completion and submitting of the necessary forms. The Department has the responsibility of telling the client what verification is required, how to obtain it, and the due date. BAM 130 (May 2012), p. 1. Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. BAM 130, p. 1. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130, p. 1. The client must obtain any required verification, however, the Department must assist if needed and/or requested. BAM 130, p. 3. If neither the client nor the Department is able to obtain verification despite reasonable effort, the Department should use the best available information. BAM 130, p. 3. If no evidence is available, the Department should use its best judgment. BAM 130, p. 3. Clients are allowed 10 calendar days (or other time limit specified in policy) to provide the

requested verification. BAM 130, p. 5. A negative action notice is sent when the client indicates a refusal to provide the verification or the time period provided has lapsed and the client has not made a reasonable effort to provide the verifications. BAM 130, p. 5.

In this case the Claimant was receiving ongoing SDA benefits. He subsequently requested to add FAP and MA benefits to his case. The Department initiated processing and sent a form requesting proof of assets, due by April 22, 2013. In addition, the Department asserts it sent Claimant a VCL requesting proof of residential address; but Claimant denies receipt of the same. Claimant submitted the proof of assets on time but not a copy of his photo ID. As a result the case was pended to close. Claimant later provided a copy of his photo ID within the negative action period. The Department worker testified that the SDA closed effective June 1, 2013, primarily because the Claimant did not have an updated IPE with Michigan Rehabilitation Services. The former active IPE was expected to end March 2013. Claimant testified that he was not aware that he was required to obtain an updated IPE with MRS prior to case closure.

Policy provides that if a client's circumstances change so that the verification method used to establish SDA eligibility is no longer valid, the Department is to obtain new verification in accordance with policy. The request for new verification must be made before a negative action notice for case closure is sent. Here, this was not done. Claimant's verification method for SDA eligibility was his participation with MRS by having an active IPE. The Department did not request proof of Claimant's participation with MRS prior to case closure. Therefore, the evidence does not support a finding that the Department acted in accordance with policy when it terminated Claimant's SDA benefits.

Accordingly, the Department action is not Upheld.

### **DECISION AND ORDER**

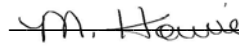
The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department did not establish it acted properly when it closed Claimant's SDA benefits effective June 1, 2013.

Accordingly, the Department's  SDA determination is hereby, **REVERSED**.

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

1. The Department shall reinstate Claimant's SDA benefits to the effective date of closure and issue a supplement for loss SDA benefits (if any), if Claimant is otherwise eligible and qualified.

2. The Department shall request, in writing, verification of Claimant's participation with the MRS program or any other basis for SDA eligibility in accordance with policy.
3. The Department shall notify the Claimant in writing, regarding any action taken by the Department in regards to the SDA benefits.

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

Date Signed: 6/21/2013

Date Mailed: 6/21/2013

**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 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

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cc:

