

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

**IN THE MATTER OF:**



Reg. No.: 2014-22281  
Issue No.: 2001; 4001; 5001  
Case No.:   
Hearing Date: February 20, 2014  
County: Genesee #02

**ADMINISTRATIVE LAW JUDGE:** Carmen G. Fahie

**HEARING DECISION**

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, telephone hearing was held on Thursday, February 20, 2014, from Lansing, Michigan. Participants on behalf of Claimant included the Claimant. Participants on behalf of the Department of Human Services (Department) included .

**ISSUE**

Due to excess income, did the Department properly  deny the Claimant's application for:

- |   |  |
|---|--|
| <input type="checkbox"/> Family Independence Program (FIP)?       | <input checked="" type="checkbox"/> Medical Assistance (MA)?           |
| <input type="checkbox"/> Food Assistance Program (FAP)?           | <input checked="" type="checkbox"/> State Disability Assistance (SDA)? |
| <input checked="" type="checkbox"/> State Emergency Relief (SER)? | <input type="checkbox"/> 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:  SER,  MA and  SDA benefits.
2. On January 10, 2014, the Department  denied Claimant's application due to excess income.
3. On January 10, 2014, the Department sent Claimant its decision.

4. On January 14, 2014, Claimant filed a hearing request, protesting the Department's actions.

### **CONCLUSIONS OF LAW**

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

The State Emergency Relief (SER) program is established by the Social Welfare Act, MCL 400.1-.119b. The SER program is administered by the Department (formerly known as the Family Independence Agency) pursuant to MCL 400.10 and by Mich Admin Code, R 400.7001 through R 400.7049. Department policies are found in the Department of Human Services State Emergency Relief Manual (ERM).

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105.

The State Disability Assistance (SDA) program is established by the Social Welfare Act, MCL 400.1-.119b. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10 and Mich Admin Code, R 400.3151-.3180.

Additionally, the Claimant was approved for Social Security RSDI of \$ [REDACTED] with a disability onset date of October 1, 2010. Department Exhibit's 25-27. The Claimant applied for SDA on September 24, 2013. Department Exhibit's 5-16. The Claimant failed the SDA income test because his unearned income was \$ [REDACTED] with a deduction of \$ [REDACTED] from child support paid for a countable income of \$ [REDACTED]. The Claimant's countable income of \$ [REDACTED] was over the SDA payment standard of \$ [REDACTED]. Department Exhibit's A-B. On September 25, 2013, the Department Caseworker sent the Claimant a notice that he had excess income for SDA. Department Exhibit's 17-24. BEM 505, 515, 518, and 520.

On January 3, 2014, the Claimant applied for SER benefits for assistance with his [REDACTED] [REDACTED]. Department Exhibit's 28-34. On January 10, 2014, the Claimant's SER application was denied because he owed more than \$ [REDACTED] in back property taxes. Department Exhibit's 35-36. Department policy only allows the Department to pay \$ [REDACTED] total in [REDACTED]. ERM 304

This Administrative Law Judge finds that the Department has not met their burden as to SDA and MA because he was approved by Social Security with a disability onset date of October 1, 2010. As a result, the Department is required to go back to the oldest application for MA and SDA to determine the Claimant's eligibility for MA and SDA.

Since the Claimant is currently receiving RSDI, he has excess income for SDA. However, the Claimant should be eligible for SDA before he started receiving RSDI. In addition, the Claimant is eligible for MA retroactive to October 2010 based on his disability onset date from MA. The Claimant does have excess income for SDA currently. In addition, he is not eligible for SER for back property taxes because the amount owed is greater than the \$ [REDACTED] limit that the Department is allowed to pay.

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department  failed to satisfy its burden of showing that it acted in accordance with Department policy when it determined the Claimant's eligibility for SDA and MA retroactively to his disability onset date of October 1, 2010.

### **DECISION AND ORDER**

Accordingly, the Department's decision is  **AFFIRMED IN PART** with respect to SER and current SDA and **REVERSED IN PART** with respect to past SDA and MA.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Initiate a redetermination of the Claimant's eligibility for MA and SDA retroactive to the Claimant's disability onset date of October 2010 where he qualifies for MA retroactive to October 2010 and SDA based on his income eligibility and his earliest application for SDA.
2. Provide the Claimant with written notification of the Department's revised eligibility determination.
3. Issue the Claimant any retroactive benefits she/he may be eligible to receive, if any.



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Carmen G. Fahie  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: 3/5/14

Date Mailed: 3/5/14

**NOTICE OF APPEAL:** 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 or Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

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).

A Request for Rehearing or Reconsideration may be granted when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The Department, AHR or the Claimant must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date the hearing decision is mailed.

The written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings  
Reconsideration/Rehearing Request  
P.O. Box 30639  
Lansing, Michigan 48909-07322

CGF/tb

cc:



