

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

IN THE MATTER OF:

██████████
████████████████████
████████████████████

Reg. No.: 2014-33732
Issue No(s): 4001
Case No.: ██████████
Hearing Date: April 24, 2014
County: Wayne (35)

ADMINISTRATIVE LAW JUDGE: Eric Feldman

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, a telephone hearing was held on April 24, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department or DHS) included ██████████, Hearings Facilitator.

ISSUE

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

- | | |
|---|--|
| <input type="checkbox"/> Family Independence Program (FIP)? | <input type="checkbox"/> Adult Medical Assistance (AMP)? |
| <input type="checkbox"/> Food Assistance Program (FAP)? | <input checked="" type="checkbox"/> State Disability Assistance (SDA)? |
| <input type="checkbox"/> Medical Assistance (MA)? | <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. On March 7, 2014, Claimant applied for Cash (SDA) benefits.
2. At the time of application, Claimant received \$721 in monthly Supplemental Security Income (SSI) and \$14 in monthly State SSI Payments (SSP). See Exhibit 1.

3. On March 12, 2014, the Department sent Claimant a Notice of Case Action notifying him that his Cash (SDA) application was denied effective April 1, 2014, ongoing, due to excess income. See Exhibit 1.
4. On March 17, 2014, Claimant filed a hearing request, protesting the SDA denial. See Exhibit 1.

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 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.

SDA is a cash program for individuals who are not eligible for FIP and are disabled or the caretaker of a disabled person. BEM 214 (July 2013), p. 1. An SDA eligibility determination group (EDG) consists of either a single adult or adult and spouses living together. BEM 214, p. 1. The certified group must be in financial need to receive benefits. BEM 515 (July 2013), p. 1. Need is determined to exist when budgetable income is less than the payment standard established by the department. BEM 515, p. 1.

Financial need must exist in order to receive benefits. BEM 518 (July 2013), p. 1. Financial need exists when the certified group passes the Qualifying Deficit Test, Issuance Deficit Test and the Child Support Income Test. BEM 518, p. 1. To perform the issuance deficit test, the Department subtracts budgetable income from the certified group's payment standard for the benefit month. BEM 518, p. 1. Financial need exists if there is at least a \$10 deficit after income is budgeted. BEM 518, p. 3. If there is no deficit, the group is ineligible for assistance. BEM 518, p. 3. The Department certifies denial or closure in the system for the benefit month unless the group meets the conditions for temporary ineligibility. BEM 518, p. 3. The SDA payment standard for an individual living in an independent living arrangement, which is Claimant's situation, is \$200.00. RFT 225 (December 2013), p. 1.

The Department counts the gross amount of current Social Security Administration (SSA) issued SSI as unearned income. BEM 503 (January 2014), p. 32. Also, whenever an SSA-issued independent living or household of another payment is budgeted, the Department counts the corresponding monthly SSP benefit amount as unearned income. BEM 503, p. 33.

In this case, the Department presented a FIP/SDA – Income Test, which indicated that Claimant passed the qualifying test, but failed the income test result. See Exhibit 1. The budget indicated a total countable income amount of \$735. See Exhibit 1. This

consisted of Claimant's \$721 in monthly SSI income and \$14 in monthly SSP income. See Exhibit 1. Claimant did not dispute these amounts. Claimant did testify that he will be paying child support; however, he testified that he was not paying such support at time of application. See BEM 518, pp. 5-6. Nevertheless, the Department properly calculated Claimant's countable income in the amount of \$735 in accordance with Department policy. See BEM 503, pp. 32-33.

Based on the foregoing information and evidence, the Department properly denied Claimant's SDA application effective April 1, 2014, ongoing, due to excess income. Claimant's \$735 unearned income exceeded the SDA payment standard of \$200 and he is ineligible for benefits because of no deficit existing or he had a deficit less than \$10. See BEM 515, p. 1; BEM 518, pp. 1-6; and RFT 225, p. 1.

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, if any, finds that the Department acted in accordance with Department policy when it properly denied Claimant's SDA application (dated March 7, 2014) effective April 1, 2014, ongoing.

Accordingly, the Department's SDA decision is AFFIRMED.



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

Date Signed: May 6, 2014

Date Mailed: May 6, 2014

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;

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- 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

EJF/cl

cc:

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