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

IN THE MATTER OF:



Reg. No.: 15-005011 Issue No.: 4003

Case No.: Hearing Date:

May 19, 2015

County: Jackson

ADMINISTRATIVE LAW JUDGE: Gary Heisler

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; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on May 19, 2015, from Lansing, Michigan. Participants on behalf of Claimant included himself. Participants on behalf of the Department of Health and Human Services (Department) included Eligibility Specialist (ES)

<u>ISSUE</u>

Did the Department properly close Claimant's State Disability Assistance Program?

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 July 6, 2012, Claimant submitted an application for Social Security Administration disability benefits.
- 2. On September 13, 2012, Claimant's Social Security Administration application was denied.
- 3. On November 7, 2013, the Social Security Administration issued a hearing decision denying Claimant's application.
- In December 2013, the Medical Review Team approved Claimant for State Disability Assistance Program benefits. Claimant's eligibility was scheduled for review in December 2014.
- 5. On February 12, 2015, the Social Security Administration Appeals Council denied Claimant's request for review of the November 7, 2013 hearing decision denying Claimant's application.

- 6. On March 26, 2015, Claimant was sent a Notice of Case Action (DHS-1605) which stated his State Disability Assistance Program would close May 1, 2015.
- 7. On April 2, 2015, Claimant submitted a hearing request.

CONCLUSIONS OF LAW

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

The State Disability Assistance (SDA) program is established by the Social Welfare Act, MCL 400.1-.119b. The Department of Health and Human Services (formerly known as the Department of Human Services) administers the SDA program pursuant to 42 CFR 435, MCL 400.10 and Mich Admin Code, R 400.3151-.3180.

The Hearing Summary (DHS-3050) submitted by the Department was completed on April 7, 2015 and states: benefits were reinstated due to timely hearing; DHS will send Medical Packet to MRT Review Team for December 2014 Medical Review. The only evidence presented by the Department was the Verification of Application or Appeal for SSI/RSDI (DHS-1552) dated February 20, 2015.

Bridges Eligibility Manual (BEM) 260 MA Disability/Blindness provides guidance for Medical Assistance based on disability. At page 3 it states:

Final SSI Disability Determination

SSA's determination that disability or blindness does **not** exist for SSI is **final** for MA if:

The determination was made after 1/1/90, and

No further appeals may be made at SSA; see EXHIBIT II in this item, or

The client failed to file an appeal at any step within SSA's 60 day limit, and

The client is **not** claiming:

A totally different disabling condition than the condition SSA based its determination on, **or**

An additional impairment(s) or change or deterioration in his condition that SSA has **not** made a determination on.

Eligibility for MA based on disability or blindness does **not** exist once SSA's determination is **final**.

Bridges Eligibility Manual (BEM) 261 Disability – SDA provides guidance for the State Disability Assistance Program. Unlike Medical Assistance based on disability, medically proven inability to work is not the sole eligibility factor for SDA. Pages 4 & 5 provide:

VERIFICATION REQUIREMENTS

Verify the disability or the need for a caretaker at application, redetermination, when required by the DDS, or as needed when the client's circumstances change. Verify age only if the client's statement is inadequate or inconsistent.

Verify participation in substance abuse treatment at each medical review.

If the client's circumstances change so that the verification method used to establish eligibility is no longer valid, obtain new verification following policy in BAM 130. (For example, a client no longer participating in Special Education may now have to provide medical evidence.) Do **not** immediately send a negative action notice for case closure. First request verification according to policy in BAM 130.

The Department presented no evidence that shows the basis upon which Claimant was approved. The evidence presented by the Department is insufficient to determine if this action is in compliance with the policies cited above. The Administrative Law Judge, based on 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 closed Claimant's State Disability Assistance Program.

DECISION AND ORDER

Accordingly, the Department's decision is **REVERSED**.

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. Reinstate Claimant's State Disability Assistance Program.

2. Process redetermination of his eligibility in accordance with Department policy.

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Gary Heisler

Administrative Law Judge for Nick Lyon, Director

Department of Health and Human Services

Date Signed: 6/9/2015

Date Mailed: 6/9/2015

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NOTICE OF APPEAL: A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides, or the circuit court in Ingham County, within 30 days of the receipt date. A copy of the claim or application for appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Hearing Decision from MAHS within 30 days of the mailing date of this Hearing Decision, or MAHS <u>MAY</u> order a rehearing or reconsideration on its own motion. MAHS <u>MAY</u> grant a party's Request for Rehearing or Reconsideration 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 party requesting a rehearing or reconsideration 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 this Hearing Decision is mailed.

A written request may be faxed or mailed to MAHS. If submitted by fax, 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 48909-8139

