

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 15-007285  
Issue No.: 2001, 4001  
Case No.: [REDACTED]  
Hearing Date: June 23, 2015  
County: Iosco

**ADMINISTRATIVE LAW JUDGE:** Kevin Scully

**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 June 23, 2015, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of the Department included [REDACTED], Case Manager.

**ISSUE**

Did the Department of Health and Human Services (Department) properly deny 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 Medical Assistance (MA) and State Disability Assistance (SDA) recipient.
2. On January 8, 2015, the Department sent the Claimant a Notice to Apply (DHS-1551) with instructions to apply for Supplemental Security Income (SSI) by January 30, 2105.
3. On March 18, 2015, the Department notified the Claimant that it would close her State Disability Assistance (SDA) benefits as of April 1, 2015.
4. On May 8, 2015, the Department received the Claimant's request for a hearing protesting the loss of State Disability Assistance (SDA) benefits.

## **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 Medical Assistance (MA) program is established by Title XIX of the Social Security Act, 42 USC 1396-1396w-5; 42 USC 1315; the Affordable Care Act of 2010, the collective term for the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152; and 42 CFR 430.10-.25. The Department (formerly known as the Department of Human Services) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

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.

As a condition of eligibility individuals must apply for any state and/or federal benefits for which they may be eligible. This includes taking action to make the entire benefit amount available to the group. Refusal of a program group member to pursue a potential benefit results in group ineligibility. A repay agreement is required when there is a potential benefit for state-funded FIP/SDA individuals. Department of Health and Human Services Bridges Eligibility Manual (BEM) 270 (October 1, 2014), p 1.

Reinstatement restores a closed program to active status without completion of a new application. Closed programs may be rein-stated for any of the following reasons:

- Closed in error.
- Closed-correct information not entered.
- Timely hearing request.
- Redetermination packet not logged in.
- Hearing decision ordered reinstatement.
- Complied with program requirements before negative action date.
- DHS-1046 manually sent and due date is after the last day of the 6th month.
- Court ordered reinstatement. Department of Health and Human Services Bridges Administrative Manual (BAM) 205 (July 1, 2015), p 1.

The Claimant was an ongoing MA and SDA recipient when on January 8, 2015; the Department sent her notification of the requirement to apply for Supplemental Security Income (SSI) benefits. The Claimant applied for Retirement, Survivors, and Disability Insurance (RSDI) benefits believing that this satisfied the non-financial requirements of the SDA program. On March 18, 2015, the Department notified the Claimant that it would close her MA and SDA benefits.


Later, the Claimant applied for SSI benefits and the Department reinstated her MA benefits with retroactive benefits but refused to reinstate any retroactive SDA benefits.

This Administrative Law Judge finds that the closure of MA and SDA benefits was a proper application of policy and that the Department sent the Claimant timely and adequate notice of the requirement to apply for SSI benefits. Furthermore, the Department's refusal to reinstate SDA benefits was also a proper application of policy because none of the criteria of BAM 205 were present to justify a reinstatement. Upon reapplication, the Claimant became eligible for up to 3 months of retroactive MA benefits, but was not eligible for SDA benefits until it was determined that she met all the criteria for benefits.

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 acted in accordance with Department policy when it closed the Claimant's Medical Assistance (MA) and State Disability Assistance (SDA) benefits, and denied retroactive SDA benefits prior to her reapplication.

### **DECISION AND ORDER**

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

  
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Kevin Scully  
Administrative Law Judge  
for Nick Lyon, Director  
Department of Health and Human Services

Date Signed: **6/30/2015**

Date Mailed: **6/30/2015**

KS/las

**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 party may request a rehearing or reconsideration of this Hearing Decision from the Michigan Administrative Hearing System (MAHS) within 30 days of the mailing date of this Hearing Decision, or MAHS **MAY** order a rehearing or reconsideration on its own motion.

MAHS **MAY** 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

cc:

