

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

IN THE MATTER OF:

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Reg. No.: 15-014439
Issue No.: 4001
Case No.: ██████████
Hearing Date: September 28, 2015
County: Wayne-District 55

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

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 September 28, 2015, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and ██████████, Claimant's aunt. Participants on behalf of the Department of Health and Human Services (Department) included ██████████, Eligibility Specialist/Medical Contact Worker.

ISSUE

Did the Department properly deny Claimant's April 10, 2015 application for State Disability Assistance (SDA) benefits due to failure to verify requested information?

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 April 1, 2015, Claimant applied for SDA benefits.
2. On April 15, 2015, the Department sent Claimant a Medical Determination Verification Checklist (VCL) requesting a medical examination report (DHS-49), medical social questionnaire (DHS-49F), activities of daily living (DHS-49G), reimbursement authorization (DHS-3075), authorization to release protected Health information (DHS-1555) and proof of pending Social Security Administration disability benefits application or scheduled appointment to apply for benefits (Exhibit A).

3. On July 14, 2015, the Department sent Claimant a Notice of Case Action denying her SDA application for failure to verify requested information. In the “comments from your specialist” section of the Notice, the worker advised Claimant that she had failed to provide all requested documents, that there were missing pages in the medical examination report, and that she would receive information for “SDA referral and should make sure that all pages are completed before returning.”
4. On July 22, 2015, Claimant filed a request for hearing disputing the Department’s actions.

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.

A disabled individual may be eligible for SDA benefits. BEM 261 (July 2014), pp. 1-2, 7. To establish SDA eligibility based on a disability, the Department’s Disability Examiner reviews the client’s medical evidence and either certify or deny the disability claim based on the medical evidence. BEM 261, pp. 1-2, 7; BAM 815 (January 2015), p. 1. It is the Department’s responsibility to obtain evidence of the impairment, either by sending out a request for medical documents to the client’s doctor or medical facility or scheduling a general medical exam for the client, but the client is obliged to submit to the Department the medical-social questionnaire (DHS-49F) and, with the specialist’s assistance, the authorization to release protected health information (DHS-1555) and activities of daily living (DHS-49G). BAM 815, pp. 3-4.

The evidence in this case showed that the Department received from Claimant the activities of daily living and medical-social questionnaire on May 8, 2015 and an authorization to release protected release protected health information on June 3, 2015 and June 15, 2015 (Exhibit B). These documents were all received prior to the July 14, 2015 Notice of Case Action denying the application.

At the hearing, the Department testified that Claimant failed to sign the authorization to release protected health information forms and pointed out that the Medical Review Team (MRT) advised the Department in August 2015 that it needed a signed copy of the form. However, Claimant testified that she had submitted signed copies of all

requested documents. Claimant's aunt testified that she helped Claimant read and complete documents sent to her by the Department. At the time Claimant submitted her documents, the Department was moving towards a paperless system and had started receiving documents in Lansing, which was scanning and uploading the documents on clients' electronic data management (EDM) files. The evidence in this case establishes that Claimant timely submitted the completed DHS-49F, DHS-49G, and DHS-1555 she was required to submit.

The medical VCL also required that Claimant submit verification of application (or appointment to file an application) for social security benefits with the SSA. The Department's evidence showed that that verification was received on July 30, 2015 (Exhibit B), after the Notice of Case Action was sent. However, the Department must explain a client's responsibilities in understandable terms. BAM 105 (July 2015), p. 13. In this case, in the Notice of Case Action denying the application, the worker advised Claimant that she would receive information for an SDA referral and she should make sure that all pages are completed before returning the forms. Furthermore, when all mandatory forms are returned, the Department is required to forward the medical packet to the MRT for assessment of whether the client is disabled. BAM 815, p. 6. In this case, the Department testified that Claimant's medical packet had been forwarded to MRT for its review. The specialist's comments and actions indicate that the application continued to be processed despite the denial Notice.

Under the evidence in this case, where the Department advised Claimant even after it sent her the July 14, 2015 Notice of Case Action denying the application that she should continue to provide documentation and then referred Claimant's medical packet to MRT, the Department acted in a manner to suggest that the application continued to be processed. Accordingly, 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 did not act in accordance with Department policy when it denied Claimant's SDA application.

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. Reregister and reprocess Claimant's April 10, 2015 SDA application;
2. Issue supplements to Claimant for SDA benefits she is eligible to receive from the date of application ongoing; and
3. Notify Claimant in writing of its decision.



Alice C. Elkin
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

Date Signed: **10/8/2015**

Date Mailed: **10/8/2015**

ACE / tlf

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 **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:

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