



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
Christopher Seppanen
Executive Director

SHELLY EDGERTON
DIRECTOR

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

Date Mailed: September 2, 2016
MAHS Docket No.: 16-009526
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Zainab A. Baydoun

HEARING DECISION

Following Petitioner'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 August 18, 2016, from Detroit, Michigan. The Petitioner appeared for the hearing and represented himself. The Department of Health and Human Services (Department) was represented by [REDACTED] Eligibility Specialist/Medical Contact Worker.

ISSUE

Did the Department properly deny Petitioner's application for 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. Petitioner submitted an application for SDA benefits on May 5, 2016.
2. On or around May 10, 2016, the Department sent Petitioner a Verification Checklist (VCL) instructing him to submit requested verifications by May 20, 2016.
3. On May 18, 2016, Petitioner timely submitted the requested verifications to the Department, however, some documents were unsigned and incomplete. (Exhibit A)

4. The Department resent Petitioner the verification forms and instructed him to correct the mistakes and return the documents to the Department. The Department provided Petitioner with an extension to return the requested verifications.
5. On or around June 9, 2016, Petitioner resubmitted the requested verifications to the Department.
6. On or around June 9, 2016, the Department forwarded Petitioner's medical packet including verifications to the Medical Review Team (MRT) for a disability determination.
7. On June 9, 2016, MRT rejected Petitioner's medical packet and sent the Department an email indicating that the case file was being returned because the documents submitted were mixed up and the forms not printed alone. (Exhibit A, p. 37)
8. On June 17, 2016, the Department sent Petitioner a Notice of Case Action (Notice) advising that his SDA application was denied. The Comments From Your Specialist section of the Notice indicates that the request for SDA was denied on the basis that the medical packet was not submitted properly, as the documents were not placed in order. (Exhibit A, pp. 39-42)
9. On July 7, 2016, Petitioner requested a 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.

Additionally, verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (January 2016), p.1. To request verification of information, the Department sends a verification checklist (VCL) which tells the client what verification is required, how to obtain it, and the due date. BAM 130, p. 3. Although the client must obtain the required verification, the Department must assist if a client needs and requests help. If neither the client nor the Department can obtain the verification despite a reasonable effort, the Department is to use the best

available information; and if no evidence is available, the Department is to use its best judgment. BAM 130, p. 3.

With respect to SDA cases, clients are given 10 calendar days to provide the verifications requested by the Department. Verifications are considered to be timely if received by the date they are due. BAM 130, pp.6-7. The Department sends a negative action notice when the client indicates a refusal to provide a verification or the time period given has elapsed and the client has not made a reasonable effort to provide it. BAM 130, pp.6- 7. At SDA application or medical review, if requested mandatory forms are not returned, the DDS cannot make a determination on the severity of the disability. The Department will deny the application for failure to provide required verifications. BAM 815 (January 2016), pp.1-8.

In the present case, the Department testified that although the verifications requested were timely submitted by Petitioner, because each of the forms submitted was not in the correct order and some of the pages mixed up, the medical packet was returned by the MRT/Disability Determination Service (DDS) and the Department issued a Notice denying the application. (Exhibit A). The Department provided testimony regarding its business practices with respect to receiving documents from clients, scanning the documents and uploading the documents into a client's electronic case file, all actions taken by an employee of the Department. The Department explained that MRT/DDS retrieves the documents in the order they are scanned and uploaded by the Department employee from a client's electronic case file.

Based on the evidence presented, the Department has failed to establish that Petitioner was responsible for the incorrect ordering of and uploading of the requested medical verifications being reviewed by MRT/DDS, as there is no reasonable way to verify it was Petitioner who provided the forms/documents to the Department in the incorrect order or whether the Department employee responsible for scanning and uploading documents to the electronic case file mistakenly mixed up the forms.

Additionally, the Department did not allege that Petitioner failed to return the mandatory forms per BAM 815, and there was no evidence presented that Petitioner refused to provide the verifications or that the time period had elapsed and Petitioner has not made a reasonable effort to provide them.

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 Petitioner'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. Register and process Petitioner's May 5, 2016, SDA application to determine his eligibility for SDA benefits from the application date, ongoing;
2. Issue supplements to Petitioner for SDA benefits that he was entitled to receive but did not from the May 5, 2016, application date, ongoing, in accordance with Department policy; and
3. Notify Petitioner of its decision in writing.

ZB/tlf



Zainab A. Baydoun
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

NOTICE OF APPEAL: A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Order if the request is received by MAHS within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088; 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

DHHS

[REDACTED]
[REDACTED]
[REDACTED]

Petitioner

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

Via Electronic Mail:

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