



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]

Date Mailed: September 22, 2016
MAHS Docket No.: 16-011169
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

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 September 12, 2016, from Detroit, Michigan. Petitioner appeared and represented himself. The Department of Health and Human Services (Department) was represented by [REDACTED], Eligibility Specialist.

ISSUE

Did the Department properly process Petitioner's April 13, 2016 State Disability Assistance (SDA) application?

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 13, 2016, Petitioner applied for SDA benefits alleging a disability.
2. On April 21, 2016, the Department sent Petitioner a Medical Determination Verification Checklist (VCL) requesting that Petitioner complete and submit requested documents to the Department by May 2, 2016 (Exhibit A, p. 6).
3. On May 11, 2016, the Department sent Petitioner a Notice of Case Action denying his application on the basis that he was not a dependent child, pregnant, blind or disabled.

4. On August 8, 2016, the Department received Petitioner's request for hearing disputing the Department's denial of his SDA application (Exhibit A, pp. 3-4).

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.

Qualifying individuals are eligible for cash assistance under the SDA program if disabled. BEM 214 (April 2014), p. 1. The Department testified that Petitioner's SDA application was initially denied in a May 11, 2016 Notice of Case Action that notified him that he was ineligible because he was not a dependent child, caretaker of a dependent child, pregnant, blind or disabled. At the hearing, the Department acknowledged that Petitioner identified himself as disabled in his May 11, 2016 application and that it erroneously denied Petitioner's application when it concluded that he was not disabled without processing the disability allegations. When it received Petitioner's August 3, 2016 hearing request, it became aware of its error, reregistered Petitioner's case and forwarded his medical packet to the Disability Determination Services (DDS)/Medical Review Team (MRT).

An SDA application must be processed and certified within 60 days of the date it is submitted. BAM 115 (July 2016), pp. 15-16. DDS/MRT can extend the standard of promptness 60 days from the date of deferral. BAM 115, p. 16. Once an eligibility certification is made, the Department must notify the client in writing of any positive or negative actions by generating a notice of case action that advises the client of the action taken by the Department, the reason for the action, the specific manual item which cites the legal base for an action or the regulation or law itself, an explanation of the right to request a hearing, and the conditions under which benefits are continued if a hearing is requested. BAM 220 (July 2015), p. 2.

In this case, the Department sent Petitioner an April 21, 2016 Medical Determination VCL requesting medical documentation from Petitioner in connection with his SDA application by May 2, 2016. The documents were received by the Department on May 12, 2016. Although the documents were received after the May 2, 2016 due date of the Medical Determination VCL, in light of the Department's acknowledgement that the documentation in response to the Medical Determination VCL was timely received, it is

assumed that an extension of the due date was requested and approved. See BAM 130 (July 2016), pp. 7-8.

The Department further acknowledged that it erred in failing to forward the medical packet received from Petitioner to the DDS/MRT upon receipt. See BAM 815 (January 2016), pp. 4-5 (requiring the Department to forward the completed DHS-1555, DHS-49F, and verification of Social Security Administration (SSA) application/appeal, as well as any medical evidence provided, to the DDS to begin the medical development process). The Department contended that, after Petitioner filed his hearing request, it forwarded the medical packet to DDS/MRT. The Department presented a “program request-summary” printout from its computer system showing that Petitioner’s April 13, 2016 SDA application was reregistered and showing as “requested” under program status (Exhibit A, p. 25). However, because more than 60 days have lapsed since Petitioner submitted his SDA application without notice of an application approval or denial from the Department based on disability or notice from DDS/MRT of a need for a deferral, the Department has not acted in accordance with the standard of promptness in processing Petitioner’s SDA application.

DECISION AND ORDER

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 processed Petitioner’s SDA application.

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. Complete processing Petitioner’s SDA application;

2. Issue supplements to Petitioner for SDA benefits he is eligible to receive, if any, from the date of application ongoing; and
3. Notify Petitioner in writing of its decision.



ACE/tlf

Alice C. Elkin

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]

Petitioner

[REDACTED]

Via Email:

[REDACTED]