



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: May 23, 2016  
MAHS Docket No.: 16-003933  
Agency No.: [REDACTED]  
[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 May 5, 2016, from Detroit, Michigan. Petitioner was represented by [REDACTED], his mother and authorized hearing representative (AHR). Petitioner was present and testified on his own behalf. The Department of Health and Human Services (Department) was represented by [REDACTED], Eligibility Specialist.

### **ISSUE**

Did the Department properly deny Petitioner's eligibility for State Disability Assistance (SDA) benefits from August 1, 2013 ongoing due to failure to verify?

### **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 August 14, 2013, Petitioner applied for SDA benefits.
2. The Department denied Petitioner's application based on fugitive felon status.
3. In connection with a federal lawsuit, *Barry v Corrigan*, [REDACTED] (ED Mich Jan 9, 2015), and its March 31, 2015 Order Regarding...Implementation of the Court's January 9, 2015 Order, a hearing was held before the Michigan Administrative Hearing System (MAHS) and the presiding

administrative law judge reversed the Department's action denying Petitioner's SDA application.

4. In connection with reprocessing Petitioner's SDA application, the Department sent Petitioner a December 22, 2015 Medical Determination Verification Checklist (VCL) requiring Petitioner to provide by January 4, 2016 all medical records, hospital admittance and discharge summaries, test results, and doctors notes from all sources one year prior to the August 14, 2013 application date along with the following forms: DHS-49, medical examination report; DHS-49D, psychiatric/psychological examination report; DHS-49E mental residual functional capacity assessment; DHS-49F, medical social questionnaire; DHS-49G, activities of daily living; DHS-3975, reimbursement authorization; DHS-1555, authorization to release protected health information; and proof of pending Social Security administration (SSA) disability benefits application or scheduled appointment to apply for benefits (Exhibit B, pp. 1-2).
5. On January 15, 2016, the Department sent Petitioner a second medical determination VCL requesting by January 25, 2016 the same documents previously requested. However proof of pending SSA application or scheduled appointment was not checked. (Exhibit B, pp. 3-4).
6. On January 29, 2016, the Department sent Petitioner a third medical determination VCL requesting by February 8, 2016 all documents requested on the VCL dated December 22, 2015 (Exhibit B, pp. 5-6).
7. On February 4, 2016, the Department received from Petitioner a completed DHS-49F, DHS-49G, DHS-1555, and DHS-3975.
8. On February 26, 2016, the Department received a completed DHS-49 from Petitioner's primary care physician.
9. On March 8, 2016, the Department sent Petitioner a Client Benefits Notice notifying him that he was denied SDA for August 2013 ongoing because he failed to return verifications requested to determine his eligibility (Exhibit D).
10. On March 15, 2016, the Department received Petitioner's request for hearing disputing the denial of his SDA application.

### **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.

In response to a MAHS hearing finding that the Department had improperly denied Petitioner's August 14, 2013 SDA application due to fugitive felon status, the Department reassessed Petitioner's eligibility for SDA. In a March 8, 2016 Client Benefit Notice, the Department denied Petitioner's SDA application because he had failed to return requested verifications by January 4, 2016.

SDA benefits are available to a disabled individual who meets the eligibility criteria. BEM 261 (July 2015), p. 1. Applications processed on or after July 1, 2015 require that a client alleging a disability submit a completed DHS-49F, medical social questionnaire; DHS-1555, authorization to release protected health information; a verification of SSA application; and DHS-3975, reimbursement authorization. BAM 815 (July 2015), p. 8. The three Medical Determination VCLs the Department sent Petitioner also required that he submit medical documents from 2013 and the preceding year, a DHS-49 (medical examination report), a DHS-49D (psychiatric/psychological examination report), a DHS-49E (mental residual functional capacity assessment), and a DHS-49G (activities of daily living). However, because the Disability Determination Service (DDS) develops and reviews medical evidence for disability and is responsible for obtaining medical evidence, Petitioner was not required to submit any of the requested medical documentation. See BAM 815 (July 2015), pp. 1, 5.

The evidence showed that Petitioner timely submitted on February 4, 2016, before the February 8, 2016 due date of the last VCL, the completed DHS-49F, DHS-1555, and DHS-3975. However, he did not submit any proof of an SSA application or appointment to apply. For applications processed on or after July 1, 2015, a client seeking SDA benefits based on a disability must, as a condition of SDA eligibility, apply for, or appeal a denial of, benefits from the Social Security Administration (SSA). BAM 815, pp. 1-2. As a condition of SDA eligibility, the client must verify that an SSA application was filed or was being filed. BAM 815, p. 8. Petitioner admitted at the hearing that, although he had applied for SSA benefits in the past and been denied, he had not timely appealed that decision or reapplied at the time the Department sent him the VCLs. The SOLQ, consistent with Petitioner's testimony, shows no current application or any pending appeal. Although the Medical Determination VCL sent to Petitioner on January 15, 2016 does not mark the box requiring proof of pending SSA application, Petitioner admitted receiving the December 22, 2015 Medical Determination VCL which marked off the box and that January 29, 2015 Medical Determination VCL that advised him that he had until February 8, 2016 to submit the documents referenced in the December 22, 2015 VCL. Therefore, Petitioner was adequately notified of the requirement that he submit verification of an SSA application. Because Petitioner failed to verify an SSA application or appointment to file an application, the Department acted in accordance with

Department policy when it denied Petitioner SDA eligibility on the basis of failure to verify.

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 denied Petitioner's August 2013 SDA application.

**DECISION AND ORDER**

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



ACE/tlf

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**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

[REDACTED]

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