



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]  
Date Mailed: June 20, 2016  
MAHS Docket No.: 16-005148  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Kevin Scully**

**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. After due notice, telephone hearing was held on May 26, 2016, from Lansing, Michigan. The Petitioner represented himself. The Department was represented by [REDACTED] and [REDACTED]

**ISSUE**

Did the Department of Health and Human Services (Department) properly close the Petitioner's 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 Petitioner was an ongoing State Disability Assistance (SDA) recipient.
2. On March 21, 2016, the Petitioner received a final determination of non-disability from the Appeals Council of the Social Security Administration (SSA). Exhibit A, p 4.
3. On April 19, 2016, the Petitioner had a SSA appointment to submit a new application for Supplemental Security Income (SSI) benefits. Exhibit A, p 4.
4. On April 13, 2016, the Department notified the Petitioner that he was no longer eligible for State Disability Assistance (SDA) benefit effective May 1, 2016. Exhibit A, pp 14 – 17.

5. On April 18, 2016, the Department received the Petitioner's request for a hearing protesting the closure of his State Disability Assistance (SDA) benefits. Exhibit A, pp 6 – 7.

### **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.

To receive SDA, a person must be disabled, caring for a disabled person, or age 65 or older. A person is disabled for SDA purposes if he:

- Receives other specified disability-related benefits or services, or
- Resides in a qualified Special Living Arrangement (SLA) facility, or
- Is certified as unable to work due to mental or physical disability for at least 90 days from the onset of the disability, or
- Is diagnosed as having Acquired Immunodeficiency Syndrome (AIDS).

Department of Health and Human Services Bridges Eligibility Manual (BEM) 261 (July 1, 2016), pp 1 – 2.

The Social Security Administration's (SSA) final determination that a client is not disabled and/or blind supersedes the Department's certification. Department of Health and Human Services Bridges Administrative Manual (BAM) 815 (January 1, 2016), p 2.

Clients who receive state-funded Family Independence Program (FIP) or SDA who meet potential eligibility for SSI or have a Disability Determination Service (DDS) decision that indicates they meet the criteria for Medical Assistance (MA) based on blindness or disability are required to pursue SSI. Department of Health and Human Services Bridges Eligibility Manual (BEM) 271 (January 1, 2016), p 1.

For clients receiving SDA/MA, SSA's determination that disability or blindness does not exist for SSI is final and the SDA/MA case must be processed for closure if:

- The determination was made after January 1, 1990, and
- No further appeals may be made at SSA; see Exhibit II in BEM 260, or

- The client failed to file an appeal at any step within SSA's 60-day limit, and
- The client is not claiming:
  - A totally different disabling condition than the condition SSA based its determination on, or
  - An additional impairment(s), change, or deterioration in his/her condition that SSA has reviewed and not made a determination on yet.

BEM 271, p 9.

The Petitioner has been an ongoing recipient of SDA benefits. He also had an application for SSI benefits. The Petitioner's SSI application was denied and on March 21, 2016, he received a final determination of non-disability from the SSA Appeals Council. The Petitioner has initiated a new application for SSI with SSA. On April 13, 2016, the Department notified the Petitioner that he was no longer eligible for SDA benefits as of May 1, 2016.

BEM 261 does not explicitly state that SSA final determinations of disability are binding on eligibility determination for that program. It is plausible that a person could be ineligible for SSI benefits, but eligible for SDA benefits. Such a scenario would occur if the person was certified as unable to work due to mental or physical disability for at least 90 days (the durational requirement for SDA eligibility) but less than 12 months (the durational requirement for SSI eligibility). For a person that received SDA benefits for more than a 12 month period, no known reason exists to not apply a final SSA determination to ongoing SDA eligibility.

This Administrative Law Judge finds that a person is not a disabled individual for purposes of SDA eligibility due to the final determination of "not disabled" made by SSA. Accordingly, the Department properly terminated Petitioner's SDA eligibility.

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 Petitioner's State Disability Assistance (SDA) benefits effective May 1, 2016.

### **DECISION AND ORDER**

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

KS/las

  
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**Kevin Scully**  
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]

**Petitioner**

[REDACTED]