



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: December 28, 2016
MAHS Docket No.: 16-016806
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: C. Adam Purnell

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 December 13, 2016, from Lansing, Michigan. Petitioner appeared and represented himself. [REDACTED] Eligibility Specialist, appeared on behalf of the Department of Health and Human Services (Department). [REDACTED] Eligibility Specialist, testified as a witness for the Department.

The Department offered the following exhibits which were marked and admitted into evidence: [Department's Exhibit 1: Hearing Summary (page 1), Request for Hearing (pages 2-3), Bridges Case-Notice Reasons (page 4), Bridges FIP/SDA Income Test (pages 5-6), and letter from [REDACTED] (page 7)].

Petitioner did not offer any exhibits into evidence.

The record closed at the conclusion of the hearing.

ISSUE

Did the Department properly close Petitioner's cash assistance (State Disability Assistance (SDA)) benefits case due to excess income?

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 was active for SDA and received \$ [REDACTED] per month. [Department's Exhibit 1, pp. 5-6].
2. Petitioner's father gives Petitioner \$ [REDACTED] every month until he receives his social security income. [Dept. Exh. 1, p. 7].
3. When the Department discovered that Petitioner received \$ [REDACTED] per month, the Department closed Petitioner's SDA benefits case due to excess income. [Dept. Exh. 1, pp. 4, 5-6].
4. The Department did not mail Petitioner a notice of case action concerning the closure of his SDA benefits case.
5. Petitioner requested a hearing because his SDA benefits were closed and he was not sent a notice prior to closure. [Dept. Exh. 1, p. 3].

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).

In the instant matter, Petitioner requested a hearing because he did not know why the Department closed his cash assistance (SDA) case. The Department contends that Petitioner's SDA case was closed because Petitioner was not eligible due to excess income. According to the Department representative, Petitioner was excess income because he received a \$ [REDACTED] donation every month.

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.

SDA is a cash assistance program designed to help individuals and families become self-sufficient. Cash assistance is available to eligibility determination groups who meet all of the non-financial and financial requirements that are needed to determine eligibility and calculate benefit amounts. When an individual applies for cash assistance, Bridges determines group composition and builds an eligibility determination group (EDG) for these programs in the following order: Family Independence Program (FIP), Refugee Cash Assistance (RCA) and SDA. BEM 209 (10-1-2015), p. 1. [Emphasis added].

For purposes of SDA, the certified group must be in financial need to receive benefits. Need is determined to exist when budgetable income is less than the payment standard established by the department. BEM 515 (10-1-2015), p. 1. For all applications received

on or after October 1, 2011, an individual living independently has a payment standard of \$200 per month. RFT 225, (12-1-2013), p. 1.

This Administrative Law Judge has reviewed the entire record and finds that the Department properly determined that Petitioner was no longer eligible for SDA. According to RFT 225, Petitioner falls within the \$ [REDACTED] monthly payment standard. The record is undisputed that Petitioner received \$ [REDACTED] per month from his father. [Exh. 1, p. 7]. Petitioner contention during the hearing that he did not receive any income, but that his father only gave him a \$ [REDACTED] monthly credit for rent is not credible and is at odds with the document contained in the record. [Exh. 1, p. 7]. Because Petitioner received \$ [REDACTED] per month, which exceeds the \$ [REDACTED] monthly payment standard, he does not meet financial eligibility for SDA benefits.

The Department did not mail Petitioner a notice of case action concerning the SDA closure. This is in violation of BAM 220 and BAM 600. However, even though the Department failed to provide a notice of case action, this Administrative Law Judge finds that the failure to provide notice is harmless error and does not affect Petitioner's SDA eligibility. As indicated above, Petitioner is clearly not eligible for SDA benefits due to excess income.

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 Petitioner's SDA benefits due to excess income.

DECISION AND ORDER

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

IT IS SO ORDERED.

CAP/mc



C. Adam Purnell
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]