



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: January 13, 2017  
MAHS Docket No.: 16-012662-RECON

[REDACTED]  
[REDACTED]

**ADMINISTRATIVE LAW JUDGE: Vicki Armstrong**

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge (ALJ) pursuant to the Petitioner's timely Request for Rehearing of the Hearing Decision generated by the assigned Administrative Law Judge (ALJ) at the conclusion of the hearing conducted on October 6, 2016, and mailed on October 7, 2016, in the above-captioned matter.

Following the Order Granting Reconsideration, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 42 CFR 431.200 - 431.250; and 45 CFR 205.10. After due notice, a telephone hearing was held on January 12, 2017, from Lansing, Michigan. Petitioner personally appeared and testified.

The Department of Health and Human Services (Department) was represented by Hearing Facilitator [REDACTED]. [REDACTED] testified on behalf of the Department. The Department submitted [REDACTED] exhibits which were admitted into evidence. The record was closed at the conclusion of the hearing.

**ISSUE**

Whether the Department properly determined that Petitioner was not disabled for purposes of the State Disability Assistance (SDA) benefit program?

**FINDINGS OF FACT**

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. Findings of Fact No. 1 through 5 under Registration Number 16-012662 are incorporated by reference.

2. The Medical Review Team (MRT) granted Petitioner's March 14, 2016 application for SDA. [Dept. Exh. B, 1-12].
3. The Department erred by issuing a Notice of Case Action dated June 1, 2016, denying Petitioner's application for SDA. [Dept. Exh. A, pp 3-7].
4. On August 5, 2016, Petitioner was approved for Social Security Disability Income with a disability onset date of January 28, 2016. [Dept. Exh. A, pp 22-24].

### **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), and Department of Health and Human Services Reference Tables Manual (RFT).

The State Disability Assistance (SDA) program, which provides financial assistance for disabled persons, was established by 2004 PA 344. The Department administers the SDA program pursuant to 42 CFR 435, MCL 400.10 *et seq.* and Mich Admin Code, Rules 400.3151 – 400.3180. A person is considered disabled for SDA purposes if the person has a physical or mental impairment which meets federal Supplemental Security Income (SSI) disability standards for at least ninety days. Receipt of SSI benefits based on disability or blindness, or the receipt of MA benefits based on disability or blindness, automatically qualifies an individual as disabled for purposes of the SDA program.

In this case, Petitioner is contesting the multiple errors made by the Department that interfered with his receipt of SDA, prior to the award of Social Security Disability Insurance (SSDI) in August, 2016. In particular, Petitioner contends the errors were based on the assigned case worker's bias towards Petitioner.

Regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in Mich Admin Code, R 792.10101 to R 792.10137 and R 792.11001 to R 792.11020. Rule 792.11002(3) provides as follows:

A complaint as to alleged misconduct or mistreatment by a state employee shall not be considered through the administrative hearing process, but shall be referred to the agency customer service unit.

Therefore, this Administrative Law Judge is unable to address Petitioner's complaints regarding his worker.

The next issue is Petitioner's SDA application. On March 14, 2016, Petitioner applied for SDA. Petitioner was approved for SDA by the MRT on May 4, 2016. On June 1, 2016, the Department issued Petitioner a Notice of Case Action informing Petitioner his application for SDA had been denied. (Emphasis added).

Petitioner credibly testified that he was homeless during this application process and as of the date of the hearing in the above captioned matter, Petitioner remains homeless. Petitioner credibly contends that receiving the SDA he had been awarded would have helped to alleviate the problems of homelessness, until his subsequent approval of SSDI in August, 2016.

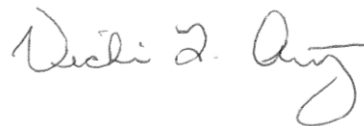
The problem now becomes one of timing. Had a timely and correct Notice of Case Action been issued in May, 2016, after the May 4, 2016 MRT approval, Petitioner may have been eligible for SDA beginning June, 2016. However, the Department indicated that at some point, Petitioner decided not to pursue SDA. Petitioner disagrees.

Regardless of the timing, or any errors on behalf of the Department, the problem remains that even before Petitioner filed his hearing request on August 29, 2016, Petitioner had been approved for and had received SSDI benefits beginning August 5, 2016. Because he was receiving SSDI, he was over the income limit to receive SDA. Ordering retroactive SDA at this junction, would be an exercise in futility because Petitioner received SSDI retroactively to January, 2016, two months before his SDA application. Therefore, he is no longer eligible for retroactive SDA beginning January, 2016, based on the receipt of SSDI in August, 2016, which put him over the income limit for SDA.

Administrative adjudication is an exercise of executive power rather than judicial power, and restricts the granting of equitable remedies. *Michigan Mutual Liability Co. v Baker*, 295 Mich 237; 294 NW 168 (1940). As such, there is no remedy this Administrative Law Judge can order in Petitioner's case, because had he received SDA prior to receiving his SSDI, he would have had to repay it with the lump sum payment from SSDI that he received on August 5, 2016. Since Petitioner did receive his SSDI before his hearing request, which was retroactive to January, 2016, there is no issue for this Administrative Law Judge to resolve.

As a result, Petitioner's hearing request is **HEREBY DISMISSED** for lack of jurisdiction.

**IT IS SO ORDERED.**



---

**Vicki Armstrong**  
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]

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

[REDACTED]

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