RICK SNYDER GOVERNOR

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

SHELLY EDGERTON



**ADMINISTRATIVE LAW JUDGE:** Aaron McClintic

#### **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 January 31, 2017, from Lansing, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by AP Worker. Served as Served as Ianguage interpreter. Department Exhibit 1, pp. 1-12 was received and admitted.

#### **ISSUE**

Did the Department properly deny Petitioner's State Disability Assistance (SDA) application for failing to verify application for Supplemental Security Income (SSI)?

# **FINDINGS OF FACT**

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

- 1. In June 2015, Petitioner applied for SDA.
- 2. On June 25, 2015, a verification checklist was sent to Petitioner requesting verifications including verification that she applied for SSI benefits.
- 3. On August 8, 2016, a Verification of Application or Appeal for SSI/RSDI was sent to the requesting information because Petitioner was required to "Make Application for SSI benefits because eligibility for Medicaid based on a disability has been established." The responded that "no claims currently pending".

- 4. On November 1, 2016, Petitioner's application for SDA was denied for failing to provide proof that she has a pending application for Social Security benefits.
- 5. On November 16, 2016, Petitioner requested hearing contesting the denial of SDA.

### **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.

# DEPARTMENT POLICY

## FIP, SDA, and Medicaid

As a condition of eligibility individuals must apply for any state and/or federal benefits for which they may be eligible. This includes taking action to make the entire benefit amount available to the group.

Any action by the individual or other group members to restrict the amount of the benefit made available to the group causes ineligibility.

**Exception:** Receipt of reduced Veterans Administration benefits does not constitute a failure to pursue benefits.

Except for contractual care arrangements, the requirements in this item **do not** apply to a past month determination for MA when the applicant has taken action to apply for potential benefits.

#### FIP, SDA and RCA

Refusal of a program group member to pursue a potential benefit results in group ineligibility.

Individuals applying for or receiving disability-related MA must apply for SSI as a potential resource. BEM 270 (April 2015)

In this case, Petitioner did not apply for SSI through the Social Security Administration as required by BEM 270. Therefore, the Department's denial for failing to verify application for SSI was proper and correct. BEM 270. Petitioner's SDA application was not processed in a timely manner. The Department should have denied her application within the standard of promptness. Unfortunately, there is no remedy to address the Department's failure to process Petitioner's SDA application at this time because it has been denied for a valid reason.

### **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 acted in accordance with Department policy when it denied Petitioner's SDA application for failing to apply for SSI.

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

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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

