



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: [REDACTED] July 6, 2017  
MAHS Docket No.: 17-005050  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Carmen G. Fahie

### **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; 42 CFR 438.400 to 438.424; 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 [REDACTED], from [REDACTED], Michigan. Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by [REDACTED], Recoupment Specialist.

### **ISSUE**

Did Petitioner receive an over-issuance (OI) of State Disability Assistance (SDA) due to Department error?

### **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 [REDACTED], the Department Caseworker sent Petitioner a Notice of Case Action, DHS 1605, that she was denied SDA benefits because her countable income exceeded the limit for the SDA program. Department Exhibit 1, pgs. 29-32.
2. On [REDACTED], the Department Caseworker sent Petitioner a Notice of Case Action, DHS 1605, that she was approved for SDA from [REDACTED], to ongoing, and she was denied [REDACTED], through [REDACTED], because her countable income exceeded the limit for the SDA program. Department Exhibit 1, pgs. 33-37.
3. Petitioner was a recipient of SDA benefits from the Department due to Department error.

4. The Department alleges Petitioner received a SDA OI during the period of [REDACTED], through [REDACTED], due to the Department's error.
5. The Department alleges that Petitioner received \$ [REDACTED] OI that is still due and owing to the Department. Department Exhibit 1, pgs. 16-28.

### **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 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.

Additionally, the Department Caseworker sent Petitioner a Notice of Case Action, DHS 1605, that she was denied SDA benefits because her countable income exceeded the limit for the SDA program on [REDACTED]. Department Exhibit 1, pgs. 29-32. On [REDACTED], the Department Caseworker sent Petitioner a Notice of Case Action, DHS 1605, that she was approved for SDA from [REDACTED], to ongoing, and she was denied [REDACTED], through [REDACTED], because her countable income exceeded the limit for the SDA program. Department Exhibit 1, pgs. 33-37.

Petitioner was a recipient of SDA benefits from the Department due to Department error. The Department alleges Petitioner received a SDA OI during the period of [REDACTED], through [REDACTED], due to Department's error. The Department alleges that Petitioner received \$ [REDACTED] OI that is still due and owing to the Department. Department Exhibit 1, pgs. 16-28. BAM 405 and 705. BEM 500 and 616. RFT 225.

During the hearing, the Recoupment Specialist stated that Petitioner was approved for Social Security SSI benefits retroactive to [REDACTED], with a monthly amount of \$ [REDACTED], which exceeded the limit for SDA. Department Exhibit 1, pgs. 10-12. Petitioner was given SDA in error through a system glitch.

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, finds that the Department did establish a SDA benefit OI to Petitioner totaling \$ [REDACTED].

### **DECISION AND ORDER**

Accordingly, the Department is **AFFIRMED**.

The Department is ORDERED to initiate collection procedures for a \$ [REDACTED] SDA OI in accordance with Department policy.

*Carmen G. Fahie*

CF/bb

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**Carmen G. Fahie**  
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]