



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: March 2, 2017
MAHS Docket No.: 17-000427
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

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 [REDACTED], from Detroit, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by [REDACTED], Eligibility Specialist.

ISSUE

Did the Department properly close the Petitioner's State Disability Assistance (SDA)?

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 had redetermination in [REDACTED] regarding her SDA cash benefits. Exhibit A.
2. On [REDACTED], the Department sent the Petitioner a Verification Checklist (VCL) requesting that she verify eligibility for disability for the Social Security Administration (SSA), or verification of Michigan Rehabilitation Services (MRS) status. The Verification was due by [REDACTED]. Exhibit B.
3. On [REDACTED], the Department sent a Notice of Case Action closing the Petitioner's SDA for failure to verify other in-state benefits or eligibility for MRS as of [REDACTED], ongoing. Exhibit C.

4. The Petitioner requested a timely hearing on [REDACTED], protesting the Department's actions.

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.

In this case, the Department closed the Petitioner's SDA cash assistance case for failure to return verification that she was still participating in MRS services. The Petitioner did not complete or return the verification sent to her by the Department; and the Department, by Notice of Case Action dated December 20, 2016, closed Petitioner's SDA case effective February 1, 2017, due to failure to verify MRS participation. The Petitioner had previously been participating in MRS services and was eligible for SDA on that basis. At the hearing, the Petitioner testified that she no longer was participating in MRS services.

Department policy provides with respect to SDA eligibility:

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, see Other Benefits or Services below, or

Note: If the client's circumstances change so that the basis of his/her disability is no longer valid, determine if he/she meets any of the other disability criteria. Do NOT simply initiate case closure.

Persons receiving one of the following benefits or services meet the SDA disability criteria:

- Michigan Rehabilitation Services (MRS). A person is receiving services if he has been determined eligible for MRS and has a signed active individual plan for employment (IPE) with MRS. Do **not** refer or advise applicants to apply for MRS for the purpose of qualifying for SDA. BEM 261 (July 1, 2015), pp. 1-2.

A further review of Department policy indicates that if a person does not meet one of the criteria under Other Benefits or Services such as MRS services, the Department is to refer to BAM 815 and process a Medical Determination Application. Policy further provides:

If the client's circumstances change so that the verification method used to establish eligibility is no longer valid, obtain new verification following policy in BAM 130. (For example, a client no longer participating in Special Education may now have to provide medical evidence.) Do **not** immediately send a negative action notice for case closure. First request verification according to policy in BAM 130. BEM 261, p. 5.

Based upon the evidence presented at the hearing, it is determined that the Department did not process the redetermination due to the change in Petitioner's circumstances, (no longer attending MRS), for medical verification to determine if Petitioner was eligible for SDA on some other basis, such as medical disability.

DECISION AND ORDER

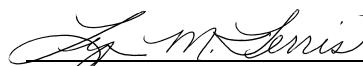
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did not act in accordance with Department policy when it closed the Petitioner's SDA case without further verifying if she qualified for SDA disability on a medical basis.

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

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. The Department shall reinstate the Petitioner's SDA case and process the case to determine if the Petitioner has a medical disability as required by Department policy.
2. The Department shall supplement the Petitioner for SDA benefits she is otherwise entitled to receive in accordance with Department policy.

LF/jaf



Lynn M. Ferris

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]

[REDACTED]