



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]  
[REDACTED]  
[REDACTED]

Date Mailed: April 25, 2017  
MAHS Docket No.: 17-003588  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Eric J. Feldman**

### **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] [REDACTED] from Detroit, Michigan. The Petitioner was represented by his Authorized Hearing Representative (AHR), [REDACTED] [REDACTED], Case Manager from [REDACTED] [REDACTED]. The Department of Health and Human Services (Department) was represented by [REDACTED], Hearings Facilitator.

### **ISSUE**

Did the Department properly close Petitioner's State Supplemental Security Income (SSI) Payment (SSP) effective [REDACTED]?

### **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 an ongoing recipient of SSP payments. Exhibit B, p. 1.
2. Petitioner is an ongoing recipient of SSI benefits. Exhibit B, pp. 2-4.
3. Petitioner's SSI living arrangement is categorized as an independent living/individual.
4. Petitioner last received a SSP payment for [REDACTED] in the amount [REDACTED]. Exhibit B, p. 1.

5. From [REDACTED], Petitioner did receive a regular first-of-the-month SSI payment. Exhibit B, pp. 2-4.
6. On [REDACTED], the Department sent Petitioner a Notice of State SSI Payment (SSP) Change letter notifying him that effective [REDACTED], his quarterly SSP has been cancelled due to him not receiving a regular first-of-the-month SSI payment for three (3) months. Exhibit A, pp. 2-3.
7. On [REDACTED], Petitioner filed a hearing request, protesting the Department's action. Exhibit A, pp. 2-3.

### 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).

The State SSI Payments (SSP) program is established by 20 CFR 416.2001-.2099 and the Social Security Act, 42 USC 1382e. The Department administers the program pursuant to MCL 400.10.

Supplemental Security Income (SSI) is a cash benefit to needy persons who are aged (at least 65), blind or disabled. BEM 660 (January 2017), p. 1. It is a federal program administered by the Social Security Administration (SSA). BEM 660, p. 1. States are allowed the option to supplement the federal benefit with state funds. BEM 660, p. 1. In Michigan, SSI benefits include a basic federal benefit and an additional amount paid with state funds. BEM 660, p. 1. The amount of the state benefit varies by living arrangement. BEM 660, p. 1.

The Michigan Department of Health and Human Services (MDHHS) issues the State SSI Payment (SSP) to SSI recipients in the following living arrangements: independent living and household of another (living in the household of another person and receiving partial or total support and maintenance in kind from that person). BEM 660, p. 1. Moreover, independent living/individuals receive SSP payments in the amount of [REDACTED] monthly, which is the category Petitioner fell under. RFT 248 (January 2017), p. 1.

Payments are made for only those months the recipient received a regular first of the month federal benefit. BEM 660, p. 1. These are shown on State Online Query (SOLQ) as a **recurring payment dated the first of the month**. BEM 660, p. 1. **SSPs are not issued for retroactive or supplemental federal benefits**. BEM 660, p. 1.

SSP benefits are issued quarterly. BEM 660, p. 1. These benefits are paid the last month of each quarter. BEM 660, p. 1; see RFT 248, p. 1. The yearly quarters are:

- January through March.
- April through June.
- July through September.
- October through December.

BEM 660, p. 2.

In this case, the Department argued that Petitioner did not receive a regular first-of-the-month SSI payment for the three (3) months. The AHR agreed with the Department's decision. However, the undersigned disagrees. The AHR presented Petitioner's bank statements showing that he received the following SSI payments: (i) [REDACTED], for [REDACTED]; (ii) [REDACTED], for [REDACTED]; (iii) [REDACTED], for [REDACTED]; (iv) [REDACTED], for [REDACTED]; and (v) [REDACTED], for [REDACTED]. Exhibit 1, pp. 3-9. It should be noted that AHR noted that the [REDACTED], payment for [REDACTED] was "back pay" for SSI benefits. See Exhibit 1, p. 5. The Department's main argument was the [REDACTED], SSI payment was not made on the first of the month; thus, the benefits were properly terminated. The undersigned disagrees. Policy states that payments are made for only those months the recipient received a regular first-of-the-month federal benefit. BEM 660, p. 1. These are shown on SOLQ as a recurring payment dated the first of the month. BEM 660, p. 1. The undersigned reviewed Petitioner's SOLQ, which is a data exchange from SSA that reports point in time information on his SSI benefits. See BAM 801 (July 2015), p. 1. Petitioner's SOLQ showed that he had a recurring payment dated the first of the month from [REDACTED], which is more than three (3) months. Exhibit B, pp. 3-4. Because Petitioner's SOLQ shows that he had a recurring payment dated the first of the month from [REDACTED], his SSP payments should have never been terminated. The undersigned does not find the Department's argument persuasive because Petitioner would not have his [REDACTED] SSI payment deposited on [REDACTED], due to it being a weekend (Sunday) and a holiday ([REDACTED]).

Accordingly, the undersigned finds that Department improperly closed Petitioner's SSP payments effective [REDACTED], in accordance with Department policy because he did receive a regular first-of-month SSI payment from [REDACTED] [REDACTED] [REDACTED]. BAM 660, pp. 1-4. The Department is ordered to reinstate Petitioner's SSP payments effective [REDACTED], in accordance with Department policy.

### **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 Petitioner's SSP payments effective [REDACTED].

Accordingly, the Department's SSP 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. Reinstate Petitioner's SSP case as of the effective closure date of [REDACTED]
2. Issue supplements to Petitioner for SSP benefits he was eligible to receive but did not in accordance with Department policy; and
3. Notify Petitioner of its decision.

EJF/jaf



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**Eric J. Feldman**  
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

**Authorized Hearing Rep.**

[REDACTED]  
[REDACTED]  
[REDACTED]

**Petitioner**

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

**DHHS**

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