



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM

SHELLY EDGERTON  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED]

Date Mailed: March 21, 2018  
MAHS Docket No.: 18-000463  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Amanda M. T. Marler**

**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 March 21, 2018, from Detroit, Michigan. The Petitioner was self-represented. The Department of Health and Human Services (Department) was represented by [REDACTED], Eligibility Specialist and Hearings Facilitator.

**ISSUE**

Did the Department properly close Petitioner's State Disability Assistance (SDA) case effective January 1, 2018?

**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 October 12, 2017, the Department received a completed Redetermination in Petitioner's Food Assistance Program (FAP) case; Petitioner's SDA case was not up for Redetermination until March 2018.
2. On November 3, 2017, an interview was completed for Petitioner's FAP case.
3. On November 8, 2017, the Redetermination and interview were processed by Petitioner's case worker and a Verification Checklist (VCL) for the FAP and SDA cases was issued requesting proof of Petitioner's three accounts at [REDACTED] [REDACTED] and two accounts a [REDACTED] by November 20, 2017 as listed in Bridges.

4. On November 16, 2017, the Department received proof of closure of Petitioner's [REDACTED] Accounts ending in [REDACTED] and [REDACTED] as well as the balance on Petitioner's accounts with [REDACTED] ending in [REDACTED] and [REDACTED]
5. On November 21, 2017, the Department issued a Notice of Case Action informing Petitioner that his SDA case was closed because bank verifications had not been received for the [REDACTED] account ending in [REDACTED] or the [REDACTED] accounts ending in [REDACTED] and [REDACTED]
6. On December 15, 2017, Petitioner resubmitted proofs of the closure of his accounts with [REDACTED] for the accounts ending in [REDACTED] and [REDACTED]
7. On January 2, 2018, Petitioner submitted a new application for SDA benefits with bank statements from [REDACTED] for accounts ending in [REDACTED] [REDACTED] the closure of the account ending in [REDACTED] and a [REDACTED] account ending in [REDACTED]
8. On January 17, 2018, Petitioner submitted a hearing request disputing the closure of his SDA case for failure to provide requested verifications; at the time of his request for hearing, his January 2, 2018, application was still pending.

#### **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 admits that it mistakenly relied upon the failure to verify the bank accounts ending in [REDACTED] and [REDACTED] however, the Department maintains that it did not receive proof of the account ending in 8301 until January 2, 2018, well after the November 20, 2017, deadline. Therefore, closure of Petitioner's SDA case was proper.

The Department must periodically redetermine or renew an individual's eligibility for active programs. BAM 210 (January 2018), p. 1. The process includes thorough review of all eligibility factors. *Id.* Redetermination of an active program may be scheduled up to three months before the review date to align dates to simultaneously process redeterminations for multiple programs. BAM 210, p. 10. If verification of certain circumstances is required, the Department may issue a Verification Checklist (VCL) telling the client what verification is required, how to obtain it, and the due date. BAM 130 (April 2017), p. 3. Clients are allotted 10 calendar days to provide the requested

proofs. BAM 130, p. 7. Negative action notices are sent when the client refuses to provide the verifications or if the time period has elapsed and the client has **not** made a reasonable effort to provide it. *Id.*

In this case, the Department issued the Redetermination for Petitioner's FAP case and he was not up for Redetermination in his SDA case until March of 2018. The Redetermination specifically lists Petitioner's FAP case as the case under review, it does not list SDA as under review. However, Petitioner reported asset information on his Redetermination which was different than the asset information listed in Bridges. Therefore, the Department's issuance of a VCL for the SDA case was proper because of the reported change.

During the hearing, the Department conceded an error in reliance upon two of the bank accounts, but not the third account ending in [REDACTED]. Petitioner is unaware of the first day he reported the closure of the account ending in [REDACTED]. Department records show that the first time the Department became aware of the account closure was January 2, 2018. Without some additional proof that Petitioner had submitted the information for the account ending in [REDACTED] before the November 20, 2018 deadline, the evidence shows that the Department acted in accordance with policy in closing his case.

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 closed Petitioner's SDA case effective January 1, 2018.

### DECISION AND ORDER

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



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**Amanda M. T. Marler**  
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]  
[REDACTED]

**Petitioner**

[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]  
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