



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ORLENE HAWKS
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED] MI [REDACTED]

Date Mailed: July 25, 2019
MOAHR Docket No.: 19-006340
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 July 24, 2019, from [REDACTED] Michigan. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Rose Ward, supervisor.

ISSUE

The issue is whether MDHHS properly denied Petitioner's application for cash assistance benefits.

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 May 1, 2019, Petitioner applied for cash benefits. Petitioner reported being unmarried and without minor children in her household. Exhibit A, pp. 20-32.
2. As of May 2019, Petitioner received \$621.82/month in gross retirement benefits.
3. On May 30, 2019, MDHHS denied Petitioner's request for cash benefits due to Petitioner's alleged verbal withdrawal.
4. On June 10, 2019, Petitioner requested a hearing disputing the denial of cash benefits.

5. On June 18, 2019, MDHHS reprocessed Petitioner's request and denied cash assistance due to excess income.

CONCLUSIONS OF LAW

The State Disability Assistance (SDA) program is established by the Social Welfare Act, MCL 400.1-.119b. MDHHS (formerly known as the Family Independence Agency) administers the SDA program pursuant to 42 CFR 435, MCL 400.10 and Mich Admin Code, R 400.3151-.3180. MDHHS policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner requested a hearing to dispute the denial of a cash assistance application. As of Petitioner's hearing request date, MDHHS mailed written notice to Petitioner informing her of a denial due to her verbal withdrawal of her application. Exhibit A, p. 15. MDHHS testimony acknowledged that the cash assistance denial based on Petitioner's withdrawal was improper. To remedy the error, MDHHS reregistered Petitioner's application. Though the basis for application denial occurring before Petitioner's hearing request submission was remedied, the analysis will recognize the subsequent actions taken by MDHHS within the jurisdiction of this decision. MDHHS testimony credibly indicated that Petitioner's application for cash assistance was denied on June 18, 2019, due to excess income.

MDHHS offers two types of cash assistance programs. The Family Independence Program (FIP) provides financial assistance to families with children. BEM 100 (October 2018), p. 1. SDA provides financial assistance to disabled adults who are not eligible for Family Independence Program (FIP) benefits. *Id.*, p. 5. As Petitioner had no minor children, Petitioner was only eligible for SDA.

To receive SDA, the certified group must be in financial need to receive benefits. BEM 515 (October 2018), p. 1. Need is determined to exist when budgetable income is less than the payment standard established by MDHHS. *Id.* The payment standard is the maximum benefit amount that can be received by the benefit group. *Id.*

Petitioner's testimony acknowledged receipt of \$321.82/month in retirement benefits. For SDA, MDHHS counts the gross amount of retirement benefits as unearned income. BEM 503 (April 2019), p. 28. For SDA budgetary purposes, Petitioner's monthly income of \$621 (dropping cents) is countable. No relevant deductions or expenses were applicable.

Petitioner contended that MDHHS should have factored her rent, utility obligations, and/or household needs (e.g., toiletries). For purposes of SDA, rent, utilities, and household needs are not budget factors.

The SDA payment standard for an unmarried person is \$200. RFT 225 (December 2013), p. 1. Petitioner's countable income exceeds the payment standard. Accordingly, MDHHS properly denied Petitioner's SDA application due to excess income.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly denied Petitioner's application dated May 1, 2019, requesting cash assistance. The actions taken by MDHHS are **AFFIRMED**.

CG/jaf



Christian Gardocki

Administrative Law Judge

for Robert Gordon, 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 Office of Administrative Hearings and Rules (MOAHR).

A party may request a rehearing or reconsideration of this Order if the request is received by MOAHR 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. MOAHR will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MOAHR. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MOAHR Rehearing/Reconsideration Request.

If submitted by mail, the written request must be addressed as follows:

Michigan Office of Administrative Hearings and Rules
Reconsideration/Rehearing Request
P.O. Box 30639
Lansing, Michigan 48909-8139

Via First Class Mail
Petitioner

[REDACTED]
[REDACTED]
[REDACTED], MI [REDACTED]

Via Email
DHHS

Rose Ward
MDHHS-Newaygo-Hearings

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