GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS DIRECTOR



Date Mailed: August 12, 2020 MOAHR Docket No.: 20-004338

Agency No.: Petitioner:

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 3-way telephone hearing was held on July 30, 2020, from Trenton, Michigan. Petitioner participated and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Romerro Hughes, specialist

<u>ISSUE</u>

The issue is whether MDHHS properly denied Petitioner's application for 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. On 2019, Petitioner applied for SDA benefits and claimed to be disabled.
- On November 7, 2019, MDHHS mailed Petitioner a Medical Determination Verification Checklist. The form mailed to Petitioner listed no documents to be returned by Petitioner.
- 3. On February 24, 2020, MDHHS denied Petitioner's SDA application due to Petitioner's alleged failure to return verifications.
- 4. As of February 24, 2020, MDHHS had not mailed Petitioner a Medical Determination Verification Checklist requesting specific documents.
- 5. On 2020, Petitioner requested a hearing to dispute the denial of SDA.

CONCLUSIONS OF LAW

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. 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 a denial of SDA benefits.¹ Exhibit A, pp. 3-4. A Notice of Case Action (Exhibit A, pp. 4-5) dated February 24, 2020, stated that Petitioner's SDA application was denied due to a failure to return verifications. Exhibit A, pp. 25-29. MDHHS testified that Petitioner specifically failed to return all requested verifications needed to verify a claim of disability.

Petitioner testified that he returned all requested medical documents to MDHHS on February 22, 2020. Petitioner's specialist responded that there was no evidence of Petitioner's submission, and therefore, Petitioner's application was properly denied. Much of the hearing was spent on testimony addressing whether Petitioner did or did not return verifications to MDHHS. Before such an analysis is relevant, MDHSH must first establish that verifications were properly requested.

BAM 815 outlines the procedures for how MDHHS is to process SDA applications. The steps of processing SDA applications follows:

- (1) Approve SDA if the client is established as disabled by SSA. If disability is not already established, proceed to the second step.
- (2) Interview the client.
- (3) Have the client complete a Medical-Social Questionnaire (DHS-49F)
- (4) Have the client sign a DHS-1555 Authorization to Release Protected Health Information.
- (5) For SDA applicants, have the client sign a DHS-3975 Reimbursement Authorization.
- (6) Mail the client a DHS-3503-MRT requesting the following required forms: DHS-49-F, DHS-1555, DHS-3975, and verification of a pending SSA application.
- (7) Assist the client in completing forms, if necessary.
- (8) Review the DHS-1555 and DHS-49-F to ensure completion.
- (9) Send all required documents to Disability Determination Services, along with any submitted medical evidence, to begin the medical evaluation process. BAM 815 (April 2018) pp. 3-4.

¹ Petitioner waited 92 days to request a hearing after MDHHS issued written notice. Petitioner testified that his delay was caused by written notice being misdelivered by the United States Post Office. Petitioner's request was barely timely as he submitted it on the last date possible to request a hearing.

For SDA applications, if requested mandatory forms are not returned, the Disability Determination Service cannot make a determination on the severity of the disability. *Id.*, p. 2. In such a case, MDHHS is to deny the application for failure to provide required verifications. *Id.*

MDHHS mailed Petitioner a Medical Determination Verification Checklist (aka a DHS-3503-MRT) on November 7, 2019.² Exhibit A, pp. 6-7. The DHS-3503-MRT is a standardized form which lists various documents next to checkboxes. MDHHS specialists are expected to check the boxes next to the forms that are required for processing. Notably, the DHS-3503-MRT mailed to Petitioner had no boxes checked. MDHHS's failure to check any of the boxes on the DHS-3503-MRT rendered the checklist to be an improper request for verification. MDHHS did not claim that its error was ever subsequently corrected by mailing Petitioner a properly completed checklist.

Given the evidence, MDHHS failed to establish that it properly requested verification of Petitioner's claim of disability. Without establishing a proper request for proof of disability, MDHHS cannot establish that Petitioner's application was properly denied due to Petitioner's failure to return proof of disability. As an administrative remedy, Petitioner is entitled to re-registration of his application as well as proper notice of the forms needed to establish disability.

² It is worth noting that MDHHS did not send Petitioner a checklist until several months after Petitioner's application. The MDHHS specialist honorably apologized for the delay and acknowledged that the checklist should have been mailed sooner.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS improperly denied Petitioner's application for SDA benefits. It is ordered that MDHHS commence the following actions within 10 days of the date of mailing of this decision:

(1) Reregister Petitioner's SDA application dated 2019; and

(2) Request proof of Petitioner's disability in accordance with policy. The actions taken by MDHHS are **REVERSED**.

CG/tlf

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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 Email:

MDHHS-Wayne-17-Hearings
BSC4 Hearing Decisions
L. Karadsheh
MOAHR

Petitioner – Via First-Class Mail:

