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

ORLENE HAWKS DIRECTOR



Date Mailed: March 5, 2021
MOAHR Docket No.: 20-007900
Agency No.:
Petitioner:

# ADMINISTRATIVE LAW JUDGE: Kevin Scully

### **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. After due notice, a telephone hearing was held on March 2, 2021. Petitioner represented herself. The Department was represented by Sophia Yatoma.

### **ISSUE**

Did the Department of Health and Human Services (Department) properly determine Petitioner's eligibility for cash assistance under the State Disability Assistance (SDA) program?

# 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, the Department received Petitioner's application for cash assistance. Exhibit A, pp 5-9.
- 2. On March 19, 2020, the Department's Disability Determination Service (DDS) determined that Petitioner's impairments do not prevent her from performing work. Exhibit A, p 15.
- 3. On May 28, 2020, the Department notified Petitioner that she was not eligible for State Disability Assistance (SDA) benefits during the period of January 1, 2020, through July 1, 2020. Exhibit A, p 19.
- 4. On June 25, 2020, Petitioner filed a request for a hearing protesting the denial of her State Disability Assistance (SDA) benefits. Exhibit A, pp 17-18.
- 5. On September 10, 2020, an administrative hearing was held and on November 10, 2020, The Michigan Office of Administrative Hearings and Rules (MOAHR)

ordered the Department to reregister and process Petitioner's 2019, application and supplement Petitioner for lost benefits after determining that her impairments do prevent her from performing any work. Exhibit A, pp 23-35.

6. On December 11, 2020, the Department received Petitioner's request for a hearing protesting her eligibility for State Disability Assistance (SDA) benefits as of December 6, 2019, the month that she filed her application. Exhibit A, p 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 Disability Assistance (SDA) program is established by the Social Welfare Act, MCL 400.1 *et seq*. The Department administers the SDA program pursuant to 42 CFR 435, MCL 400.10 of the Social Welfare Act, MCL 4001. *et seq*., and Mich Admin Code, R 400.3151 through 400.3180.

To receive SDA, a person must be disabled, caring for a disabled person, or age 65 or older. Department of Health and Human Services Bridges Eligibility Manual (BEM) 261 (April 1, 2017), p 1.

Provided the group meets all eligibility requirements, begin assistance in the pay period in which the application becomes 30 days old. If the application becomes 30 days old and the group has not met eligibility requirements, begin assistance for the first pay period when it does. Department of Health and Human Services Bridges Administrative Manual (BAM) 115 (January 1, 2021), p 27.

Department policy in BAM 115 is based on the following administrative code:

Rule 20.

(1) Supplemental benefits, also referred to as a supplement, are issued to correct an underissuance.

(2) A supplement is offset by overissuances for which collection actions have not yet begun. The department shall subtract the amount of the overissuance from the amount of the supplement, up to the amount of the supplement.

(3) The department shall issue a supplement promptly when verification of the need for a supplement is received by the department or when the department has knowledge of the need for a supplement.

(4) A supplement is issued back to the month following the month that verification, if required, shows the need began, but not earlier than the month following the month that the group reported the change which resulted in the need for a supplement.

(5) The department shall not issue a supplement for a period before the effective date for program eligibility.

(6) The department shall give a group adequate notice that a supplement has been authorized or denied.

Mich Admin Code, R 400.3170.

On 2019, Petitioner applied for SDA benefits. On March 19, 2020, the Department's DDS determined that her impairments do not prevent her from performing all work, and on May 28, 2020, the Department notified her that she was not eligible for any SDA benefits.

Petitioner appealed that determination and on November 10, 2020, MOAHR ordered the Department to reprocess Petitioner's 2019, application based on a finding that Petitioner's impairments do prevent her from performing any work for more than 90 days. The Department reinstated Petitioner's 2019, application, and granted supplementary SDA benefits as of January 1, 2020, and ongoing.

The Department is instructed by BAM 115 to grant initial SDA benefits in the pay period in which the application becomes 30 days old, or the first pay period when all eligibility requirements are met.

No evidence was presented on the record that Petitioner failed to provide all material necessary to determine her eligibility for SDA benefits in a timely manner following the filing of her 2019, application. "Meeting all program requirements" not only includes a finding of disability, but also includes verification of all financial and non-financial program requirements. The Department's determination that Petitioner was not eligible for any SDA benefits was reversed, which entitled her to SDA benefits no earlier than the pay period that she would have been eligible for benefits if the Department had initially determined that she is disabled. Further, the Department is prohibited from issuing a supplement "for a period before the effective date for program eligibility." Mich Admin Code, R 400.3170(5).

If the DDS had determined that Petitioner's impairments prevented her from performing any work in March of 2020, she would not have been entitled to any SDA benefits until the pay period 30 days after she filed her application for assistance. The hearing decision and order by MOAHR does not entitle Petitioner to any SDA benefits that she would not have been eligible for based on her **Exercised** 2019, application. 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 determined that Petitioner was not entitled to any State Disability Assistance (SDA) benefits until the first pay period of January 2020.

# DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

KS/nr

Administrative Law Judge for Elizabeth Hertel, 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

DHHS	Chelsea McCune 27690 Van Dyke Warren, MI 48093
	Macomb 20 County DHHS- via electronic mail
	BSC4- via electronic mail
	L. Karadsheh- via electronic mail
Petitioner	- via first class mail