



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]
[REDACTED] MI [REDACTED]

Date Mailed: May 9, 2022
MOAHR Docket No.: 22-001442
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Ellen McLemore

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 May 4, 2022, from Detroit, Michigan. Petitioner was represented by his Authorized Hearing Representative (AHR), [REDACTED]. The Department of Health and Human Services (Department) was represented by Priya Johnson, Assistance Payments Supervisor.

ISSUE

Did the Department properly deny Petitioner and Petitioner's wife's State Disability Assistance (SDA) application?

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 [REDACTED] 2022, Petitioner and his wife submitted an application for SDA benefits.
2. Petitioner had unearned income in the form of Supplemental Security Income (SSI) benefits in the monthly amount of \$[REDACTED] and State-SSI Payment (SSP) income in the amount of \$[REDACTED] per quarter (\$[REDACTED] per month).
3. On April 5, 2022, the Department sent Petitioner a Notice of Case Action informing him that his and his wife's application for SDA benefits was denied.
4. Petitioner submitted a request for hearing disputing the Department's actions.

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).

In this case, Petitioner submitted an application for SDA benefits on behalf of himself and his wife. The Department determined that Petitioner and his wife were not eligible for SDA benefits, as Petitioner was an SSI recipient, and his wife exceeded the income limit.

For SDA benefits, financial need must exist to receive benefits. BEM 518 (January 2020), p. 1. Financial need exists when the certified group passes the Issuance Deficit Test. BEM 518, p. 1. To perform the issuance deficit test, the Department subtracts budgetable income from the certified group's payment standard for the benefit month. BEM 518, p. 1. The Department compares budgetable income for the income month using the earned income disregard to the certified group's payment standard for the benefit month. BEM 515, p. 3. The group is ineligible for the benefit month if no deficit exists or the group has a deficit less than \$10. BEM 518, p. 3.

The payment standard is dependent on the client's SDA certified group size. BEM 515, p. 3. For SDA, group size consists of either a single adult or adult and spouses living together. BEM 214 (April 2019), p. 1. In this case, Petitioner and his wife were married. Therefore, Petitioner's wife has a group size of two. Based on a certified SDA group size of two, the applicable payment standard is \$315. RFT 225 (December 2013), p. 1.

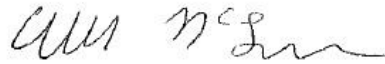
All countable earned and unearned income available to the client must be considered in determining a client's eligibility for program benefits and group composition policies specify whose income is countable. BEM 500 (July 2017), pp. 1–5. The Department includes the gross amount of current Social Security Administration (SSA)-issued SSI as unearned income. BEM 503 (January 2020), p. 34. Whenever an SSA-issued independent living or household of another payment is budgeted, the Department will include the monthly SSP payment amount as unearned income. BEM 503, p. 35. SSI amounts withheld to recoup overpayments due to an Intentional Program Violation (IPV) are also included in the gross amount. BEM 503, p. 33. Amounts deducted by an issuing agency to recover a previous overpayment or ineligible payment are not part of gross income. BEM 500 (July 2017), p. 6. These amounts are excluded as income. BEM 550, p. 6.

Both parties conceded that Petitioner receives \$[REDACTED] per month in SSI benefits and \$[REDACTED] per month in SSP benefits. Petitioner's \$[REDACTED] monthly income subtracted by the \$315 payment standard results in a standard monthly income of \$[REDACTED]. As there is no deficit, Petitioner's wife is not eligible for SDA benefits. Therefore, the Department acted in accordance with policy when it denied Petitioner and Petitioner's wife's SDA application.

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 acted in accordance with Department policy when it denied Petitioner and Petitioner's wife's SDA benefit application. Accordingly, the Department's decision is **AFFIRMED**.

EM/tm



Ellen McLemore

Administrative Law Judge

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

Email Recipients:

MDHHS-Oakland-3-Hearings
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