GRETCHEN WHITMER GOVERNOR

STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES SUZANNE SONNEBORN EXECUTIVE DIRECTOR

MARLON I. BROWN, DPA DIRECTOR



Date Mailed: September 11, 2024 MOAHR Docket No.: 24-007433

Agency No.: Petitioner:

ADMINISTRATIVE LAW JUDGE: Caralyce M. Lassner

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 hearing was held by telephone on August 15, 2024. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Angela Ware, Eligibility Specialist.

ISSUE

Did the Department properly reduce Petitioner's June 2024 State SSI Payment (SSP)?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

- 1. Petitioner is an ongoing recipient of Supplemental Security Income (SSI) of month and quarterly SSPs.
- 2. On May 20, 2024, the Department sent Petitioner a Notice of State SSI Payment Change, notifying Petitioner that her SSP was reduced because the Social Security Administration (SSA) reported she did not receive a regular first of the month SSI payment for one or two months. (Exhibit A, pp. 1, 8 9).
- 3. On June 21, 2024, the Department received a request for hearing from Petitioner, disputing the reduction of her SSP. (Exhibit A, pp. 4-5).

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 SSI Payments (SSP) program is established by 20 CFR 416.2001-.2099 and the Social Security Act, 42 USC 1382e. The Department administers the program pursuant to MCL 400.10.

Petitioner requested a hearing to dispute the reduction in her SSP. The Department notified Petitioner her SSP would be reduced effective May 20, 2024 because the SSA reported that she did not receive a regular SSI payment for one or two months.

SSP is a quarterly payment paid by the State to eligible SSI recipients the last month of each quarter. BEM 660 (October 2021), pp. 1 – 2. SSP payments are made for only those months the SSI recipient received a regular first of the month federal benefit. BEM 660, p. 1; BAM 600 (February 2024), p. 31. Department policy specifies that these SSI payments are shown on the client's State Online Query (SOLQ) report as a recurring payment dated the first of the month. BEM 660, p. 1; BAM 600, p. 31; BAM 800 (April 2022), p. 1. When the regular first of the month federal benefit is not paid and the SOLQ fails to explain why, the Department must contact the State SSI Payment Unit for assistance. BAM 600, p. 32. And, when discrepancies are identified that cannot be reconciled, the Department must send a DHS/SSA referral to the local SSA office. BAM 801 (January 2021), p. 3; see also BAM 800, p. 1.

In this case, the Department testified that it reduced Petitioner's quarterly SSP based on months in which the SSA reported that no SSI payments were issued to Petitioner or were issued on a date other than the first of the month. (Exhibit A, pp. 1, 8-9). At the hearing, the Department testified that based on SOLQ reports it obtained on June 28, 2024 and the date of the hearing, Petitioner's 2024 SSI was paid as follows:

1/1/24 January February No payment. March No payment. 4/2/24 April May 5/1/24 June No payment. No payment. July 8/1/24 August

In contrast to the information on the SOLQ reports, Petitioner credibly testified that she received her regular monthly SSI payments every month and explained that she relied on her SSI to pay her rent and that she has not missed any of her rent payments. When

asked if the information on the SOLQ could be incorrect, the Department testified that it could be and offered no evidence that the SOLQ explained the reported lapse in payments. The Department also testified that it issued Petitioner a SSP on March 8, 2024 and SSP on June 7, 2024. That the Department issued Petitioner the full SSP for January through March 2024 despite the SOLQ report showing that no SSI was issued to Petitioner in February or March 2024 is further evidence that the SOLQ was inaccurate. There was also no evidence that the Department contacted the State SSI Payment Unit for assistance or sent a DHS/SSA referral to the local SSA office to clarify discrepancies. Therefore, the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it reduced Petitioner's SSP payment in June 2024.

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 failed to satisfy its burden of showing that it acted in accordance with Department policy when it reduced Petitioner's SSP payment.

DECISION AND ORDER

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

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

- 1. Redetermine Petitioner's eligibility for SSP for April through June 2024;
- 2. If Petitioner received a regular first of the month federal benefit for April through June 2024, and is otherwise eligible, issue SSP benefit supplements to Petitioner in accordance with policy; and
- 3. Notify Petitioner of its decision in writing.

CML/ml

Caralyce M. Lassner Administrative Law Judge

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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 Electronic Mail: DHHS

Tracy Felder
Wayne-Southwest-DHHS
2524 Clark Street
Detroit, MI 48209

MDHHS-Wayne-41-Hearings@michigan.gov

Interested Parties

BSC4 M Schaefer MOAHR

Via First Class Mail: Petitioner

