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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

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Date Mailed: December 20, 2024
MOAHR Docket No.: 24-011004
Agency No.: ██████████
Petitioner: ██████████

ADMINISTRATIVE LAW JUDGE: Linda Jordan

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 on November 21, 2024, via teleconference. Petitioner appeared and represented herself. Jarrod Schwartz, Assistance Payments Supervisor, appeared on behalf of the Michigan Department of Health and Human Services (MDHHS or Department). MDHHS’ Hearing Packet was admitted into evidence at the hearing as MDHHS Exhibit A, pp. 1-29. Petitioner’s proposed exhibit was admitted into evidence at the hearing as Petitioner’s Exhibit 1, pp. 1-3.

ISSUE

Did MDHHS properly process Petitioner’s application for cash assistance/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 August 25, 2022, the MDHHS Medical Review Team (MRT) determined that Petitioner was not disabled and denied her application for SDA (Exhibit A, p. 2).
2. On ██████████ 2024, Petitioner applied for cash assistance/SDA, alleging a disability (Exhibit A, p. 5).
3. On July 25, 2024, MDHHS sent Petitioner a Notice of Case Action indicating that her application for cash assistance was denied (Exhibit A, p. 24).

4. On August 12, 2024, MDHHS sent Petitioner a Medical Determination Verification Checklist (VCL) (Exhibit A, p. 11).
5. On [REDACTED] 2024, Petitioner submitted a Medical Examination Report to MDHHS alleging several diagnoses and medical complaints (Exhibit A, p. 13).
6. On September 23, 2024, MDHHS sent Petitioner a Notice of Case Action indicating that she was denied cash benefits, effective August 16, 2024 ongoing, because she was not aged, blind, disabled, under 21, pregnant, or parent/caretaker of dependent child (Exhibit A, p. 17).
7. On September 24, 2024, Petitioner requested a hearing regarding the cash denial.

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 Family Independence Program (FIP), Refugee Cash Assistance (RCA) and State Disability Assistance (SDA) are cash assistance programs designed to help individuals and families become self-sufficient. BEM 209 (January 2022), p. 1. FIP was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and 42 USC 601 to 679c. MDHHS administers FIP pursuant to 45 CFR 233-260, MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3101-.3131. RCA is a federal program that helps refugees become self-sufficient after their arrival in the United States. BEM 215 (July 2013), p. 1. RCA is a cash program for refugees who are not eligible for FIP. *Id.* SDA is established by the Social Welfare Act, MCL 400.1-.119b. MDHHS administers the SDA program pursuant to 42 CFR 435, MCL 400.10 and Mich Admin Code, R 400.3151-.3180. To receive SDA, a person must be disabled, caring for a disabled person or 65 years or older. BEM 261 (April 2017), p. 1.

In this case, MDHHS denied Petitioner's request for cash assistance/SDA because it previously determined that she was not disabled in 2022.

When an individual applies for cash assistance, MDHHS must determine eligibility for FIP, RCA and SDA, in that order. BEM 209 ([REDACTED] 2022), p. 1. Cash assistance is available to eligibility determination groups who meet all the non-financial and financial requirements that are needed to determine eligibility and calculate benefit amounts. *Id.* Here, Petitioner alleged that she was applying for SDA. No evidence was presented to show that Petitioner met the basic eligibility criteria for RCA or FIP.

For SDA, MDHHS is required to verify the disability at application, redetermination, when required by the Disability Determination Services (DDS) or as needed when the

client's circumstances change. BEM 261, p. 5. To start processing an SDA case, MDHHS must send a medical determination verification checklist, DHS-3503-MRT, requesting a completed DHS-49F, DHS-1555, DHS-3975, and verification of SSA application/appeal. BAM 815 (April 2018), p. 4. If an eligibility factor is incomplete, unclear, or contradictory, MDHHS is required to request verification, pursuant to Department policy. BAM 130 (October 2023), p. 1.

The record shows that MDHHS denied Petitioner's application for SDA on the same day that she applied. At the hearing, MDHHS stated that this was because there was a previous MRT/DDS determination from 2022 finding her not disabled and that there was no proof that she had a new or worsening disabling condition. Petitioner alleged that she had new or worsening medical conditions. Because this eligibility factor was in dispute, MDHHS should have allowed Petitioner an opportunity to clarify by requesting verification, pursuant to Department policy. Although MDHHS sent Petitioner the Medical Determination VCL, it had already denied her application for SDA. Additionally, Petitioner provided MDHHS with some documentation and it is not clear from the record whether this documentation was properly processed.

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 MDHHS did not act in accordance with Department policy when it processed Petitioner's application for cash assistance/SDA.

DECISION AND ORDER

Accordingly, MDHHS decision is **REVERSED**. MDHHS 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. Reregister and reprocess Petitioner's cash assistance application submitted on [REDACTED], 2024, requesting additional documentation as needed;
2. Provide Petitioner with any cash assistance/SDA benefits that she was eligible to receive, but did not, based on the application submitted on [REDACTED] 2024; and
3. Notify Petitioner of its decision in writing.

LJ/pt



Linda Jordan
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

Via-Electronic Mail:

DHHS
Kimberly Kornoelje
Kent County DHHS
121 Martin Luther King Jr St SE Ste 200
Grand Rapids, MI 49507
MDHHS-Kent-Hearings@michigan.gov

Interested Parties
BSC3
L. Karadsheh

Via-First Class Mail:

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