



GRETCHEN WHITMER
GOVERNOR

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

MARLON BROWN
DIRECTOR

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

Date Mailed: December 5, 2024
MOAHR Docket No.: 24-011570
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Zainab A. Baydoun

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 November 13, 2024, from Detroit, Michigan. Petitioner appeared for the hearing and represented himself. The Department of Health and Human Services (Department) was represented by Avery Smith, Assistance Payments Supervisor.

ISSUE

Did the Department properly process Petitioner's application for State Disability Assistance (SDA) benefits?

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 or around [REDACTED] 2024, Petitioner submitted an application requesting SDA benefits.
2. On or around July 25, 2024, the Department sent Petitioner a Notice of Case Action advising him that his SDA application was denied because he was not aged, blind, or disabled.
3. The Department failed to present any evidence in support of its denial of Petitioner's [REDACTED] 2024, SDA application.
4. On or around [REDACTED] 2024, Petitioner submitted an application requesting SDA benefits. (Exhibit A, pp. 6-15)

5. On or around September 27, 2024, the Department sent Petitioner a Notice of Case Action advising him that his SDA application was denied because his income exceeded the income limit.
6. On or around October 7, 2024, Petitioner requested a hearing disputing the Department's action with respect to the denial of his SDA applications.
7. The Department acknowledged that the denial of Petitioner's [REDACTED] 2024, SDA application was improper, as Petitioner did not have excess income. The Department conceded that the application should be reprocessed.
8. On or around October 10, 2024, the Department sent Petitioner's medical documentation to the Disability Determination Services (DDS); however, as of the hearing date, the DDS had not issued any decision regarding Petitioner's disability and thus, the Department had not issued any updated SDA eligibility determination. (Exhibit A, pp.21-22)

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-.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.

In this case, Petitioner disputed the Department's improper processing and denial of his SDA applications. Petitioner asserted that he has submitted three or four applications for SDA benefits since May 2024. Petitioner could not identify the exact dates of submission. However, upon review of Petitioner's electronic case file in Bridges, the Department indicated that it received SDA applications from Petitioner on [REDACTED] 2024, and [REDACTED] 2024, both of which were denied.

To receive SDA benefits, a person must be disabled, caring for a disabled person, or age 65 or older. BEM 261 (April 2017), p.1. When the Department receives an application for assistance, it is to be registered and processed in accordance with Department policies. The date of application is the date the local office receives the required minimum information on an application or the filing form. BAM 110 (October 2023), pp.3-9, 15-21. Once an application is registered, the Department must certify eligibility results for each program requested within the applicable standard of promptness (SOP). The SOP begins the date the department receives an application/filing form, with minimum required information. The SOP is 60 days for SDA applications, with this date being extended 60 days from the date of deferral by the Medical Review Team (MRT) or Disability

Determination Service. BAM 115 (January 2024), pp. 1, 15-24. The Department is to follow the instructions in BAM 815, Medical Determination and Disability Determination Service (DDS), Steps for Medical Determination Applications. The DDS will gather and review the medical evidence and either certify or deny the disability claim based on the medical evidence. BEM 261, p. 4; BAM 815 (April 2018), p. 1. The Department is to certify approval or denial of the application and to notify clients in writing of positive and negative actions by generating the appropriate notice of case action, which is printed and mailed centrally from the consolidated print center. A negative action is a Department action to deny an application or to reduce, suspend or terminate a benefit. After processing an initial application, the Department will notify clients of the approval or denial. BAM 115, pp. 1, 23-25; BAM 220 (November 2023), pp. 1-3.

At the hearing, the Department representative testified that on or around July 25, 2024, a Notice of Case Action was issued, denying Petitioner's ██████████ 2024, SDA application on the basis that he was not aged, blind, or disabled. The Department did not present any documentary evidence in support of its denial of the ██████████ 2024, SDA application. The Department representative testified that on the application, Petitioner failed to indicate that he has either applied for or will apply for benefits through the Social Security Administration (SSA). However, that explanation is not basis for denying Petitioner's SDA application, as in processing the application, the Department may issue a verification checklist instructing Petitioner to submit an application for benefits through the SSA and provide proof to the Department that such application was submitted. There was no supporting evidence presented showing that the ██████████ 2024, SDA application was properly processed and properly denied.

With respect to the ██████████ 2024, SDA application, the Department conceded that the application was denied in error, on September 27, 2024. The Department representative testified that the application was initially denied because the Department determined that Petitioner's income exceeded the income limit for program eligibility. However, after receiving Petitioner's October 7, 2024, request for hearing, the Department began reprocessing Petitioner's ██████████ 2024, SDA application and sent his medical documentation to the DDS for a disability determination on October 10, 2024. The Department representative testified that as of the hearing date, there had been no decision made by the DDS regarding whether Petitioner met the criteria for disability. Therefore, there had been no eligibility decision certified by the Department regarding approval or denial of the application. The Department conceded that the initial denials and processing of the application were improper and not in accordance with Department policy. Thus, the Department will be ordered to complete processing of the application and issue a new eligibility determination.

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 did not act in accordance with Department policy when it processed and denied Petitioner's SDA applications.


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. Register and reprocess Petitioner's [REDACTED] 2024, application for SDA benefits;
2. Continue processing Petitioner's [REDACTED] 2024, application for SDA benefits;
3. Issue supplements to Petitioner for any SDA benefits that he was eligible to receive but did not from the [REDACTED] 2024, application date, ongoing, in accordance with Department policy; and
4. Notify Petitioner in writing of its decision.

ZB/ml



Zainab A. Baydoun
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

Tracey Jones

Oakland County Southfield District III

25620 W. 8 Mile Rd

Southfield, MI 48033

MDHHS-Oakland-6303-Hearings@michigan.gov

Interested Parties

BSC4

L Karadsheh

MOAHR

Via First Class Mail:

Petitioner

[REDACTED]

[REDACTED]

[REDACTED] MI [REDACTED]