

GRETCHEN WHITMER GOVERNOR STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS LANSING

MARLON I. BROWN, DPA DIRECTOR



Date Mailed: December 9, 2024 MOAHR Docket No.: 24-012534 Agency No.: Petitioner:

ADMINISTRATIVE LAW JUDGE: Jeffrey Kemm

HEARING DECISION

On November 4, 2024, Petitioner requested a hearing to dispute a State Disability Assistance (SDA) determination. As a result, a hearing was scheduled to be held on December 5, 2024. Public assistance hearings are held 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.

The parties appeared for the scheduled hearing. Petitioner appeared and represented herself. Respondent Michigan Department of Health and Human Services (Department) had Hearings Coordinator Hannah Czechowski appear as its representative. Neither party had any additional witnesses.

Sworn testimony was provided by both parties, and one exhibit was admitted into evidence. A 62-page packet of documents provided by the Department was admitted collectively as Exhibit A.

ISSUE

Did the Department properly deny Petitioner's 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 August 13, 2024, the Social Security Administration (SSA) denied Petitioner's application for disability benefits.
- 2. On 2024, Petitioner appealed the SSA's denial.
- 3. On 2024, Petitioner applied for SDA from the Department.

- 4. On September 16, 2024, the Department mailed a DHHS-1552 verification of application or appeal for SSI/RSDI to the SSA.
- 5. On September 25, 2024, the Department received the DHHS-1552 verification of application or appeal for SSI/RSDI from the SSA. The SSA verified that Petitioner applied for disability benefits from the SSA on September 11, 2023, and the SSA verified that the SSA denied Petitioner's application on August 13, 2024. The SSA did not provide any information to verify whether Petitioner had appealed the SSA's denial.
- 6. The Department relied exclusively on the DHHS-1552 verification of application or appeal for SSI/RSDI to determine whether Petitioner had a pending claim/appeal with the SSA. The Department determined that Petitioner did not pursue disability benefits from the SSA as required because Petitioner did not have a pending claim/appeal with the SSA.
- 7. On September 30, 2024, the Department mailed a notice of case action to Petitioner to notify her that her application for SDA was denied because she failed to pursue disability benefits from the SSA.
- 8. Petitioner requested a hearing to dispute the Department's decision.
- 9. The Department reviewed Petitioner's case after Petitioner requested a hearing, and the Department discovered that the State On-Line Query (SOLQ) showed that Petitioner had appealed the SSA's denial on September 13, 2024. The Department decided that it could not use the information from the SOLQ, so the Department did not take any action to reverse its decision.

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 administers the SDA program pursuant to 42 CFR 435, MCL 400.10 and Mich Admin Code, R 400.3151-.3180.

When a client applies for SDA from the Department, the client is required to pursue disability benefits from the SSA. BAM 815 (April 1, 2018), pp. 1-2. This is a requirement to be eligible for SDA. *Id.* To meet this requirement, the client must either have a pending claim with the SSA or a pending appeal with the SSA. BEM 270 (June 1, 2024), p. 7. The Department must verify the client's claim/appeal with the SSA. *Id.* Acceptable verification includes the SOLQ or a completed DHHS-1552 verification of application or appeal for SSI/RSDI from the SSA. *Id.* at 7-8.

In this case, Petitioner met the requirement to pursue disability benefits from the SSA because Petitioner had a pending appeal with SSA when Petitioner applied for SDA from the Department. The Department could have verified that Petitioner had a pending appeal with the SSA through the SOLQ. The Department erroneously determined that it could not use the SOLQ as verification. Pursuant to BEM 270, the SOLQ is an acceptable verification source to verify a client's claim/appeal with the SSA. Thus, the Department could have used the SOLQ to verify that Petitioner had a pending appeal with the SSA. The Department did not properly verify Petitioner's claim/appeal with the SSA, so the Department's decision is reversed.

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 did not act in accordance with its policies and the applicable law when it denied Petitioner's SDA application.

IT IS ORDERED, the Department's decision is **REVERSED**. The Department shall reprocess Petitioner's SDA application, and the Department shall use the SOLQ to verify Petitioner's appeal with the SSA. The Department shall begin to implement this decision within 10 days from the date of mailing of this decision and order.

JK/pe

Jeffrey Kemm 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:

<u>DHHS</u>

Hannah Czechowski Genesee County DHHS Clio Rd Dist. 4809 Clio Road Flint, MI 48504 **MDHHS-Genesee-Clio-Hearings@michigan.gov**

Interested Parties BSC2 L. Karadsheh

Via First Class Mail:



