Michigan Office of Administrative Hearings and Rules P.O. Box 30639 Lansing, MI 48909



Date Mailed: April 18, 2025 **Docket No.:** 25-010022

Case No.: Petitioner:



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ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 via Microsoft teams on April 14, 2025. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Remy Williams, specialist, and Alice Mosley, specialist.

<u>ISSUE</u>

The issue is whether MDHHS properly denied 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 January 2025, Petitioner applied for SDA benefits.
- On February 2025, MDHHS mailed Petitioner a Medical Determination Verification Checklist (MD-VCL) requesting various documents including a DHS 49-F, Medical Social Questionnaire (MSQ) by February 24, 2025.

- 3. On February 2025, MDHHS received an acceptably completed MSQ from Petitioner.
- 4. On February 2025, MDHHS denied Petitioner's SDA application due to an alleged failure by Petitioner to timely verify residence.
- 5. On an unspecified date, MDHHS verified that Petitioner timely verified residence and that Petitioner's application was improperly denied.
- 6. On March 2025, Petitioner requested a hearing to dispute the denial of cash assistance.
- 7. On March 2025, MDHHS again denied Petitioner's application for SDA benefits: the second time due to an alleged failure by Petitioner to submit a properly completed Medical-Social Questionnaire (MSQ).

CONCLUSIONS OF LAW

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. SDA policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner requested a hearing to dispute a denial of cash benefits. Exhibit A, pp. 4-6. Petitioner specifically disputed a denial of Family Independence Program (FIP) benefits.

For non-refugees, MDHHS offers two types of cash assistance programs.² The Family Independence Program (FIP) provides financial assistance to families with dependent children.³ BEM 100 (April 2023) p. 1. SDA provides financial assistance to disabled adults who are not eligible for Family Independence Program (FIP) benefits. *Id.*, p. 5. As Petitioner was neither a caretaker to minor children nor pregnant, Petitioner was only potentially eligible to receive cash assistance under SDA. Thus, Petitioner's dispute over a denial of FIP benefits will be interpreted as a dispute over SDA benefits

Petitioner applied for cash assistance on January 2025. Exhibit A, pp. 10-15. A Notice of Case Action dated February 2025, stated that MDHHS denied SDA due to Petitioner allegedly failing to verify residence. Exhibit A, pp. 51-54. During the hearing, MDHHS acknowledged that Petitioner timely verified residency and that denial was improper. MDHHS also stated that a reprocessing of Petitioner's SDA application resulted in denial. A Notice of Case Action dated March 2025, stated that Petitioner failed to

¹ Petitioner specifically disputed a denial of Family Independence Program (FIP) benefits.

² A third type of cash assistance is available for refugees (see BEM 630).

³ Pregnant women are also eligible to receive FIP benefits (see BEM 210).

properly verify information; testimony from MDHHS clarified that Petitioner's Medical-Social Questionnaire was allegedly incomplete.⁴ Exhibit A, pp. 55-59.

For SDA applications, MDHHS is to complete a MD-VCL requesting the following required verifications from the applicant: Medical-Social Questionnaire (DHS-49-F), Reimbursement Authorization (DHS-3975), Authorization to Release Protected Health Information (DHS-1555), and verification of a Social Security Administration application/appeal. BAM 815 (January 2025) p. 4. The client or authorized representative must complete all sections of the DHS-49-F, Medical-Social Questionnaire. *Id.* This form is mandatory. *Id.* If requested mandatory forms are not returned, MDHHS cannot determine the severity of the disability and is to deny the application or place an approved program into negative action for failure to provide required verifications. *Id*

MDHHS mailed Petitioner a MD-VCL on February 2025, requesting proof of various documents. Exhibit A, pp. 24-25. On February 2025, Petitioner returned an MSQ to MDHHS. Exhibit A, pp. 37-43. MDHHS contended that the MSQ was unacceptable based on the following:

- In response to a question asking about physicians seen in the last 12 months, Petitioner listed home care and his own address. Exhibit A, p. 38.
- In response to a question asking about physicians seen in the last 12 months, Petitioner listed a hospital without an address, though an address for the same hospital was listed multiple times in the MSQ. Exhibit A, p. 39.
- In response to a question asking about hospital visits and admissions, Petitioner did not list a reason for treatment or state whether it was a visit or admission. Exhibit A, p. 40.
- Petitioner answered questions in a section meant for MDHHS specialists to complete. Exhibit A, p. 42.

Though some of Petitioner's MSQ responses were lackluster, MDHHS improperly denied Petitioner's application. First, MDHHS could have utilized a collateral contact to verify uncertain information; a collateral contact is a direct contact with a person, organization or agency to verify information from the client when evidence needs clarification. BAM 130 (May 2024) p. 3.

Alternatively, MDHHS could have simply called Petitioner for clarification. An interview with the client is required as part of the SDA application process. Debatably, going through an MSQ is a required portion of the interview process. MDHHS testimony acknowledged that Petitioner was not interviewed as part of the application dated January 2025.⁵

⁴ The notice also stated that the benefit group had no minor child. This is a reference to a denial of FIP benefits

⁵ A specialist testified she was assigned to a second application for Petitioner and interviewed him on April 2025. Perhaps not coincidentally, Petitioner's application was not denied due to incomplete documentation.

MDHHS allows for application denial based on incomplete MSQ sections; Petitioner's MSQ is debatably distinguished for incomplete questions. Not incomplete questions. A more apt consequence for an incomplete question is not requesting medical documents from the medical provider if insufficient information is provided.

Furthermore, SDA denial cannot be based on a client's completion of a section intended for MDHHS specialists to complete. In no way can policy be read to justify a denial based on a client who completes too many sections of a MSQ.

Lastly, Petitioner's failure to list an address for a hospital after listing an address from the same hospital is not a basis for denial. MDHHS contended that it was possible that Petitioner was treated at a different hospital address for the encounter listing no address on the MSQ. Even if MDHHS's contention were accurate, not requesting information about that encounter, requesting information from the hospital address mentioned elsewhere in the MSQ, and/or asking Claimant for clarification were each more appropriate options than application denial.

Given the evidence, Petitioner did not fail to verify information. Thus, the denial of Petitioner's SDA application was improper. As a remedy, MDHHS will be ordered to reregister and reprocess Petitioner's application.6

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS failed to establish it properly denied Petitioner's application for cash assistance. It is ordered that MDHHS commence the following actions within 10 days of the date of mailing of this decision:

- (1) Reregister Petitioner's cash assistance application dated January 2025;
- (2) Reprocess Petitioner's SDA eligibility subject to the findings that MDHHS failed to establish that it properly denied Petitioner's application due to Petitioner's alleged failure to verify information; and
- (3) Issue notice and supplements, if any, in accordance with policy.

The actions taken by MDHHS are **REVERSED**.

CHRISTIAN GARDOCKI ADMINISTRATIVE LAW JUDGE

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⁶ During the hearing, MDHHS wondered if Petitioner also failed to verify an active application for disability with the Social Security Administration. Though this may be a possible basis for denial, it was not welcomed because MDHHS did not give Petitioner notice of the possible reason for denial in writing or before the hearing.

APPEAL RIGHTS: Petitioner may appeal this Hearing Decision to the circuit court. Rules for appeals to the circuit court can be found in the Michigan Court Rules (MCR), including MCR 7.101 to MCR 7.123, available at the Michigan Courts website at courts.michigan.gov. The Michigan Office of Administrative Hearings and Rules (MOAHR) cannot provide legal advice, but assistance may be available through the State Bar of Michigan at https://lrs.michbar.org or Michigan Legal Help at https://michiganlegalhelp.org. A copy of the circuit court appeal should be sent to MOAHR. A circuit court appeal may result in a reversal of the Hearing Decision.

Either party who disagrees with this Hearing Decision may also send a written request for a rehearing and/or reconsideration to MOAHR within 30 days of the mailing date of this Hearing Decision. The request should include Petitioner's name, the docket number from page 1 of this Hearing Decision, an explanation of the specific reasons for the request, and any documents supporting the request. The request should be sent to MOAHR

- by email to <u>MOAHR-BSD-Support@michigan.gov</u>, **OR**
- by fax at (517) 763-0155, OR
- by mail addressed to Michigan Office of Administrative Hearings and Rules Rehearing/Reconsideration Request P.O. Box 30639 Lansing Michigan 48909-8139

Documents sent via email are not secure and can be faxed or mailed to avoid any potential risks. Requests MOAHR receives more than 30 days from the mailing date of this Hearing Decision may be considered untimely and dismissed.

Via Electronic Mail:	Respondent WAYNE-CONNER-DHHS 4733 CONNER ST DETROIT, MI 48215 MDHHS-WAYNE-57- HEARINGS@MICHIGAN.GOV
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