



STATE OF MICHIGAN  
JOCELYN BENSON, SECRETARY OF STATE  
DEPARTMENT OF STATE  
LANSING

April 30, 2025

**NOTICE OF FILING**

**ADMINISTRATIVE RULES**

To: Secretary of the Senate  
Clerk of the House of Representatives  
Joint Committee on Administrative Rules  
Michigan Office of Administrative Hearings and Rules (Administrative Rule #24-026-HS)  
Legislative Service Bureau (Secretary of State Filing #25-04-06)  
Department of Health and Human Services

In accordance with the requirements of Section 46 of Act No. 306 of the Public Acts of 1969, being MCL 24.246, and paragraph 16 of Executive Order 1995-6, this is to advise you that the Michigan Office of Administrative Hearings and Rules filed Administrative Rule #2024-026-HS (Secretary of State Filing #25-04-06) on this date at 1:57 P.M. for the Department of Health and Human Services entitled, "State Disability Assistance Program".

These rules become effective immediately after filing with the secretary of state unless adopted under section 33, 44, or 45a(9) of the administrative procedures act of 1969, 1969 PA 306, MCL 24.233, 24.244, or 24.245a. Rules adopted under these sections become effective 7 days after filing with the secretary of state.

Sincerely,

Jocelyn Benson  
Secretary of State

Lashana Threlkeld, Departmental Supervisor  
Office of the Great Seal

Enclosure



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

MARLON I. BROWN, DPA  
DIRECTOR

April 30, 2025

The Honorable Jocelyn Benson  
Secretary of State  
Office of the Great Seal  
Richard H. Austin Building – 1<sup>st</sup> Floor  
430 W. Allegan  
Lansing, MI 48909

Dear Secretary Benson:

Re: Michigan Administrative Rules #: 2024-26 HS

The Michigan Office of Administrative Hearings and Rules received administrative rules, dated July 9, 2024 for the Department of Health and Human Services “**State Disability Assistance Program**”. We are transmitting these rules to you pursuant to the requirements of Section 46 of Act No. 306 of the Public Acts of 1969, being MCL 24.246, and paragraph 16 of Executive Order 1995-6.

Sincerely,

Michigan Office of Administrative Hearings and Rules



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

MARLON I. BROWN, DPA  
DIRECTOR

## **LEGAL CERTIFICATION OF RULES**

I certify that I have examined the attached administrative rules, dated July 9, 2024, in which the Department of Health and Human Services proposes to modify a portion of the Michigan Administrative Code entitled "State Disability Assistance Program" by:


- ◆ Amending R 400.3151 and R 400.3169.

The Legislative Service Bureau has approved the proposed rules as to form, classification, and arrangement.

I approve the rules as to legality pursuant to the Administrative Procedures Act, MCL 24.201 *et seq.* and Executive Order No. 2019-6. In certifying the rules as to legality, I have determined that they are within the scope of the authority of the agency, do not violate constitutional rights, and are in conformity with the requirements of the Administrative Procedures Act.

Dated: October 10, 2024

Michigan Office of Administrative Hearings and Rules

By:   
Ashlee N. Lynn,  
Attorney



STATE OF MICHIGAN

GRETCHEN WHITMER  
GOVERNOR

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
LANSING

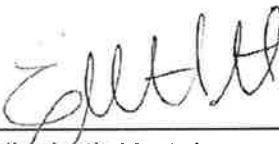
ELIZABETH HERTEL  
DIRECTOR

## CERTIFICATE OF ADOPTION

By authority conferred on the Department of Public Health by section 6 of the social welfare act, 1939 PA 280, MCL 400.6, the Director formally adopts the rules, "State Disability Assistance".

R 400.3151 and R 400.3169 are amended in the Michigan Administrative Code.

Dated: October 18th, 2024

  
\_\_\_\_\_  
Elizabeth Hertel



Since 1941

**Legal Division**


**Timothy H. Shields, Director**

CERTIFICATE OF APPROVAL

On behalf of the Legislative Service Bureau, and as required by section 45 of the Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.245, I have examined the proposed rules of the Department of Health and Human Services dated July 9, 2024, amending R 400.3151 and R 400.3169 of the Department's rules entitled "State Disability Assistance Program." I approve the rules as to form, classification, and arrangement.

Dated: October 9, 2024

LEGISLATIVE SERVICE BUREAU

By 

Rachel M. Hughart,  
Legal Counsel

DEPARTMENT OF HEALTH AND HUMAN SERVICES

ECONOMIC STABILITY ADMINISTRATION

STATE DISABILITY ASSISTANCE PROGRAM

Filed with the secretary of state on April 30, 2025

These rules take effect immediately after filing with the secretary of state unless adopted under section 33, 44, or 45a(9) of the administrative procedures act of 1969, 1969 PA 306, MCL 24.233, 24.244, or 24.245a. Rules adopted under these sections become effective 7 days after filing with the secretary of state.

(By authority conferred on the department of health and human services by section 6 of the social welfare act, 1939 PA 280, MCL 400.6)

R 400.3151 and R 400.3169 of the Michigan Administrative Code are amended, as follows:

R 400.3151 Definitions.

Rule 1. (1) As used in these rules:

(a) "Administrative hearing" means the impartial review by an administrative law judge of a department decision that a client believes is illegal or unsatisfactory. Both the client and the department may present evidence in support of their respective positions.

(b) "Administrative recoupment" means a process by which a group's benefits are reduced to make payments on an overissuance.

(c) "Application" means a signed and dated statement on a form prescribed by the department that an individual wishes to receive state disability assistance.

(d) "Application filing date" means the date an application with minimum required information is received by the department.

(e) "Authorized representative" means an individual who is not less than 18 years of age and applies for assistance on behalf of a client or otherwise acts on a client's behalf, or both. The individual may be, but is not limited to, a guardian, spouse, or relative outside the group.

(f) "Client" means an individual applying for, currently receiving program benefits, inquiring about benefits, or is part of the program group.

(g) "Client error" means the department has taken all actions required under normal processing procedures but the client has given incorrect or incomplete information or failed to meet other requirements which impact the amount of program benefits and the error has not been determined as intentional. An overissuance that results from department action being discontinued due to a client's administrative hearing request is client error if a client withdraws the request, fails to show for the administrative hearing, or the department's action is upheld at the hearing.

July 9, 2024

(h) "Department" means the department of health and human services.

(i) "Disqualification" means a department penalty action for an individual who is ineligible for program benefits because an eligibility factor has not been met or because the individual refuses or fails to cooperate in meeting an eligibility factor.

(j) "Domiciliary care" means a type of care given to residents in a special living arrangement whose principal need is supervision and who are generally able to perform the basic activities of daily living, such as eating, bathing, and dressing.

(k) "EBT" means electronic benefit transfer.

(l) "Group" means the state disability assistance group.

(m) "FIP" means family independence program.

(n) "Institution" means an establishment that furnishes food, shelter, and some treatment or services to more than 3 individuals who are unrelated to the proprietor.

(o) "Intentional program violation" means an action that occurs when a client or authorized representative intentionally withholds or misrepresents information for the purpose of obtaining benefits that the client or authorized individual would not otherwise be eligible. An overissuance becomes an intentional program violation if a client or client's authorized representative is found to be responsible for an intentional program violation by a court, or as a result of an administrative hearing or has signed a disqualification agreement.

(p) "Mandatory vendoring" means an agency payment of assistance amounts, without client request, directly to the client's landlord, mortgage holder, or land contract holder and to the providers of the client's home heating and electricity services.

(q) "Monthly payment amount" means the amount of assistance paid to a group after deductions for vendoring and any department recoupment.

(r) "Overissuance" means that a group receives more benefits than it is eligible to receive.

(s) "Overissuance period" means the time period during which the overissuance occurred

(t) "Pay period" means the first to the fifteenth of the month or the sixteenth to the end of the month.

(u) "Payment standard" means the maximum monthly amount for the approved ongoing monthly certified group size.

(v) "Personal care" means assistance that is provided to an individual who needs help in performing personal daily activities, such as cooking, eating, grooming, shopping, and taking medication.

(w) "Potential benefits" means any of the following benefits:

(i) Retirement, survivors, and disability insurance.

(ii) Worker's compensation benefits.

(iii) Veterans administration benefits.

(iv) Railroad retirement benefits.

(v) Pension payments.

(vi) Disability or retirement benefits.

(vii) Earned but unpaid wages.

- (viii) Strike pay.
- (ix) Vacation pay.
- (x) Supplemental security income.
- (xi) Family independence program benefits.
- (xii) Other than state-funded, needs-based programs, other financial benefits for which potential eligibility exists and which may reduce the state disability assistance program benefit.
- (x) "Program group" means those individuals living together whose income and assets must be counted in determining eligibility for state disability assistance.
- (y) "Provider" means an individual or agency that furnishes services to a client.
- (z) "RCA" means refugee cash assistance.
- (aa) "Recoupment" means the process by which the department recovers an overissuance of program benefits.
- (bb) "Redetermination" means a review of continuing eligibility for state disability assistance.
- (cc) "Repayment" means an action by a client to pay back benefits received.
- (dd) "Restricted payments" means mandatory payment made to an individual other than the client in the form of vendor payments or third-party payments due to a third-party resource disqualification or money mismanagement.
- (ee) "Returned warrants" means uncashed warrants received by the local department office or treasury.
- (ff) "SDA" means state disability assistance.
- (gg) "Special living arrangement" means any of the following:
  - (i) An adult foster care facility.
  - (ii) A county infirmary.
  - (iii) A substance abuse treatment center.
  - (iv) A home for the aged.
  - (v) A long-term care facility.
  - (vi) A hospital.
- (hh) "State disability assistance group" means the members of a program group who receive state disability assistance.
- (ii) "Stop payment" means a department directive to treasury to not honor a warrant.
- (jj) "Third-party payments" mean an agency payment of a client's entire assistance benefit, without client request, to an agency or individual outside the eligible group for management of the assistance on behalf of the group.
- (kk) "Third-party resource" means an individual, entity, or program that is, or might be, liable to pay all or part of a group member's medical expenses.
- (ll) "Treasury" means the department of treasury.
- (mm) "Underissuance" means that a group receives less cash assistance than it is eligible to receive.
- (nn) "Verification" means documentation or action taken that provides evidence establishing the accuracy of a client's verbal or written statements.
- (oo) "Voluntary vendoring" means a payment system whereby, at the group's



request, the department sends part of the group's cash assistance directly to the provider for payment of the group's shelter, heat, or electricity.

(pp) "Warrant" means a written order to pay that instructs a federal, state, or county government treasurer to pay the warrant holder on demand or after a specific date.

(qq) "Warrant date" means the date shown on a warrant. For regular client and vendor warrants, the warrant date is the expected date of delivery. For replacement warrants, the warrant date is the date the warrant was mailed.

(2) Terms defined in the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, have the same meaning when used in these rules.

#### R 400.3169 Replacement policies for warrants and EBT thefts.

Rule 19. (1) If a group reports an unendorsed warrant lost, stolen, not received, or destroyed, the group may have the warrant replaced if all the following criteria, as appropriate, are met:

(a) The group completes a stop payment or replacement request affidavit. For stolen warrants, a group shall file a police report, unless replacement of the warrant is made after recovery of the warrant amount.

(b) A client or provider shall contact the post office to verify delivery of a warrant that was issued but not received. If delivery is verified, the warrant is considered lost. If delivery cannot be verified, the warrant is considered not received. For warrants considered not received, a client or provider shall complete a stop payment or replacement request affidavit.

(c) Under any of the following circumstances, a warrant must be replaced only after recovery of the original warrant amount:

(i) Replacement is requested more than 30 calendar days after the warrant date.

(ii) The client has previously requested a replacement after cashing the original warrant.

(iii) A police report was not filed on a stolen warrant.

(iv) The case is closed, or closure is pending.

(v) The warrant to be replaced is a replacement warrant or a vendor warrant.

(2) If a warrant is cashed by a recipient of cash assistance, the department shall not take action on a request to stop payment on the cashed warrant and a replacement warrant must not be issued.

(3) A warrant that is lost or stolen after endorsement must be replaced only if the warrant is later returned or voided.

(4) If a replacement warrant is issued for a warrant that was cashed and the client claims that the warrant copy signature is not that individual's signature, the client shall sign an affidavit that the signature is not the client's signature.

(5) If a replacement warrant is issued for a warrant that was cashed and the client fails to keep an appointment to view the warrant, refuses to sign the affidavit, or admits,

endorsing both the original and replacement warrants, the department shall recover the overissuance from the group.

(6) A group currently receiving ongoing FIP, RCA, or SDA may receive a replacement of its FIP, RCA, or SDA that was fraudulently removed from its EBT account. Both of the following conditions apply to a fraudulent removal from an EBT account:

(a) A group is only eligible to receive this payment 1 time in a 12-month period.

(b) Replacement funds will only be approved up to 4 times the payment standard or the amount that was fraudulently removed, whichever is less.

FILED WITH SECRETARY OF STATE

ON 4-30-25 AT 1:57 PM