

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF: [REDACTED],

Claimant

Reg. No: 2009-34674  
Issue No: 3002; 5026; 5016;  
6019  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
October 6, 2009  
Berrien County DHS

ADMINISTRATIVE LAW JUDGE: Ivona Rairigh

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; and MCL 400.37 upon claimant's request for a hearing. After due notice, a telephone hearing was held on October 6, 2009. Claimant personally appeared and testified. Also appearing and testifying on claimant's behalf was her mother [REDACTED]

ISSUES

1. Did the department issue the claimant all of the Food Assistance Program (FAP) benefits she was entitled to receive?
2. Did the department correctly deny claimant's State Emergency Relief (SER) application in August, 2008?
3. Did the department approve claimant's request for Child, Development and Care (CDC) benefits?

FINDINGS OF FACT

The Administrative Law Judge, based upon the competent, material and substantial evidence on the whole record, finds as material fact:

1. Claimant was a FAP benefit recipient, but the department did not allow any shelter expenses in the FAP budget as the claimant allegedly failed to provide verification of such expenses to the department.
2. On September 8, 2009, department mailed the claimant a shelter verification form, DHS-3688 for verification of shelter expenses.
3. Claimant applied for SER on August 10, 2009, for assistance with rent and electricity, but included no verifications of the emergencies with her application. Department contacted electric company and received information that there was no disconnect pending on the claimant's electric for her current address. SER application was denied on September 9, 2009, as department could not verify a need.
4. Claimant also applied for CDC on June 23, 2009. When worker attempted to process the CDC, Bridges computer system would not allow the approval to go through citing additional verification was needed although the worker indicated the verification was present. A request to the Help Desk in Lansing that handles Bridges problems was made so the claimant could receive CDC. The problem has not been resolved as of the date of the hearing.
5. Claimant requested a hearing on August 31, 2009, citing FAP, SER and CDC as her issues.

CONCLUSIONS OF LAW

The Food Assistance Program (FAP) (formerly known as the Food Stamp (FS) program) is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal

regulations contained in Title 7 of the Code of Federal Regulations (CFR). The Department of Human Services (DHS or department) administers the FAP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3001-3015. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

The State Emergency Relief (SER) program is established by 2004 PA 344. The SER program is administered pursuant to MCL 400.10, *et seq.*, and by final administrative rules filed with the Secretary of State on October 28, 1993. MAC R 400.7001-400.7049. Department of Human Services (DHS or department) policies are found in the State Emergency Relief Manual (SER).

The Child Development and Care program is established by Titles IVA, IVE and XX of the Social Security Act, the Child Care and Development Block Grant of 1990, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The program is implemented by Title 45 of the Code of Federal Regulations, Parts 98 and 99. The Department of Human Services (DHS or department) provides services to adults and children pursuant to MCL 400.14(1) and MAC R 400.5001-5015. Department policies are contained in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

Claimant's first issue is her FAP benefits and alleged failure on the part of the department to include her shelter expenses in her FAP budget. Claimant states that she had moved into a new residence in July, 2009, and that she had already provided verification of her new rent to the department previously by dropping this verification off at the front desk. Claimant's caseworker states she has never received such verification. Department's two managers state that it is

possible that some verification do get displaced once they reach the front desk, but they are understandably unable to say that this happened in claimant's case. Claimant did testify credibly that she dropped off this verification. Claimant has her lease at the hearing, copy of which she states she provided to the department previously. Claimant's mother testified that she dropped off this lease to the department in June, 2009. Lease is however signed on July 1, 2009, by the landlord, and the claimant and her mother state that he signed it in June but dated it for July, 2009. Claimant states that the landlord died 2 weeks ago. Written document, the lease, will therefore be used to establish when the claimant actually received it, and since it was signed on July 1, 2009, a conclusion that the department received it in June, 2009 cannot be logically reached. Department's representative states that the department will accept the lease as received in July, 2009, include the rental expenses in FAP budgets starting in August, 2009, and issue the claimant any supplemental FAP benefits she did not receive starting in this month. Claimant is satisfied with this resolution.

Second issue claimant is complaining about is her SER application. Claimant applied for help with rent on August 10, 2009, but she had already moved into her new residence in July, 2009 and testified that she paid the rent herself. Departmental policy states:

**DEPARTMENT POLICY**

State Emergency Relief (SER) prevents serious harm to individuals and families. SER assists applicants with safe, decent, affordable housing and other essential needs when an emergency situation arises. ERM, Item 101, p. 1.

**Requirements**

Residence in the State of Michigan is not required. SER serves all persons physically present in Michigan. In addition, SER applicants must:

- Complete the application process

- . Meet financial and non-financial requirements
- . Have an emergency which threatens health or safety and can be resolved through issuance of SER
- . Take action within their ability to help themselves, i.e., obtain potential resources and/or apply for assistance
- . Not have caused the emergency (ERM, 204, Client-Caused Emergency)
- . Cooperate in providing information about income, assets, living arrangements, and other persons living in the home

Deny SER services for applicants who fail to meet any of the above requirements. ERM, Item 101, p. 1.

## **RELOCATION SERVICES**

### **DEPARTMENT POLICY**

SER assists individuals and families by providing money for rent, security deposits, and moving expenses. ERM, Item 303, p. 1.

### **COVERED SERVICES**

Accept the decision of the SER group regarding use of the relocation funds authorized. The issuance amount must resolve the group's shelter emergency. Authorize any combination of the following services:

- . First month's rent
- . Rent arrearage
  - .. Mobile home lot rent for owners or purchasers is a Home Ownership Service found in ERM, Item 304.
  - .. Mobile home lot rent for renters is a Relocation Service covered by this Item.
- . Security deposit (if required)
- . Moving expenses (to relocate household effects) ERM, Item 303, p. 1.

## **ELIGIBILITY REQUIREMENTS**

Authorize relocation services only if one of the following circumstances exists and all other SER criteria are met:

- . The SER group is homeless, living in a shelter, a car, a transitional facility or on the street. A group living with friends or relatives is not homeless, even if the arrangement is temporary unless one of the situations below exists.
  - .. The group is living temporarily with other persons following a fire or natural disaster that occurred not more than 60 days before the date the group files an application for SER.
  - .. The group is living with other persons to escape a domestic violence situation.
- . A court summons, order, or judgment was issued which will result in the SER group becoming homeless.
- . The SER group needs adequate housing to avoid a foster care placement or before a child or children can come home from foster care.
- . An DHS services worker or DHS specialist, with supervisory approval, determines the family must be relocated from unsafe housing for the protection of the children.
- . The SER group receives final written notice to vacate condemned housing from a local public agency authorized to issue such an order.
- . The energy MDT (Multi-Disciplinary Team) has identified the group as living in high energy housing that cannot be rehabilitated. ERM, Item 303, pp. 1-2.

Claimant did not provide any verification of a shelter emergency with her SER application and her hearing testimony establishes that she had no such emergency, as she had already paid her rent and moved into her new residence in July, 2009.

Claimant also applied for SER to pay her electric bill. Department however received information from the electric company that there was no pending shut off at claimant's current address (to which she moved to in July, 2009). Hearing testimony reveals that the claimant had a past bill for a different address for \$271 that had to be paid before electric could be switched to her name at the new address. Claimant states that her landlord had the electric bill in his name so she could have electricity in the house. SER policy states:

### **COVERED SERVICES**

#### **Heating, Electric or Deliverable Fuels**

When the group's heating or electric service for their current residence is or will be shut off, or payment is necessary to restore service, authorize payment for the shut-off or restoration amount to the provider up to the fiscal year cap. Payment must restore or continue the service for at least 30 days. Also, pay the necessary charges to deliver a 30-day supply of a deliverable fuel.

#### **Billing Address**

Except for categorical eligibility, a bill does not have to be in the client's name, however the bill must be connected to the group's current address. If a previous bill, from the same provider, is transferred to the account at the current address, it is considered to be connected to the service at the new address. If the bill must be paid to maintain service at the new address, authorize payment up to the fiscal year cap. ERM, Item 301, p. 1.

### **CATEGORICAL ELIGIBILITY**

Categorical eligibility for energy assistance and energy-related home repairs was introduced in Interim Program Policy Bulletin 2005-014, effective October 1, 2005.

#### **Initial Requirements**

Cases must meet the following requirements in order to determined categorically eligible:

- The applicant's case must be currently active FIP, FAP or SSI.

- The name on the energy account bill must match the adult case grantee name or the grantee's spouse's name. There may be other names on the account in addition to the grantee's name.
- The case address must match the account service address.
- There must be no disqualified members on the case, except for ineligible aliens.
- The case grantee must not be an ineligible minor (not just minor parent) grantee. SSI cases for minor children are not considered categorically eligible.
- The fuel type code must be correct for the type of payment requested.
- The case must not be overdue for redetermination.
- All other SER criteria such as application processing, pursuit of potential resources, etc., must also be met.

### **Application and Eligibility**

If all the initial requirements are met, the following apply:

- The Application for State Emergency Relief (DHS-1514) must be completed. There should already be an active Assistance Application (DHS-1171) in the case record. If not, one must be completed.
- The client must provide a shut-off/reconnect notice, declare a need for deliverable fuel or provide verification of the need for a home repair.
- An LOA2 budget is not required if all members of the SER group are active on the FIP, FAP or SSI cases. FIS/ES must complete and sign the Decision Notice (DHS-1419) and include a copy of the CIMS transaction NMHD or NCMD screen printout illustrating all SER program group members are active FIP, FAP or SSI.
- If there are members in the SER group that are not active FIP, FAP or SSI who have monthly income, an SER budget must be completed.

- Income verification used in the current eligibility budget for any other DHS administered program may be used, if available. If not available, income must be verified. All reported changes in income must be acted upon.
- Income of all household members must be verified and budgeted.
- If an income co-payment is determined, it may be waived or reduced. See ERM 208.
- There is no asset test.
- There is no required payment criteria.
- Vendor payments for FIP clients are required.
- Criteria in ERM 304 must be met for energy-related home repairs.

### **Payment**

If all the above conditions are met, payment may be made up to the fiscal year cap, as long as the payment resolves the emergency.

### **Households that do NOT meet Categorical Eligibility**

The following applies to households that do NOT meet categorical eligibility criteria:

- The client must complete the Application for State Emergency Relief (DHS-1514) and an Assistance Application (DHS-1171) if there is not a current one in the record. (Spanish versions of these applications are also available.)
- All household members are included in the SER group.
- Income of all household members is budgeted.
- Income verification used in the current eligibility budget for any other DHS administered program may be used, if available. If not available, income must be verified.
- All reported changes in income must be acted upon.

- . An asset test is not required.
- . A determination of required payments must be made. Two methods are available. Use the method that is most beneficial for the client:
  - .. **Method 1:** Apply only the payments made for the service requested.
  - . **Example:** Client applies for electricity. For each month that an obligation existed, the LOA2 budget must include required payments for electricity. Verify and budget the actual amounts paid for electricity.
  - .. **Method 2:** Apply payments made for both heat and electricity.
  - . **Example:** Client applies for deliverable fuel. Client has made electric payments but few or no heat payments. The LOA2 budget must include required payments for both heat and electricity. Verify and budget the actual amounts paid for both heat and electricity.
- . Payment may be made up to the fiscal year cap and must resolve the emergency for at least 30 days. ERM, Item 301, pp. 4-6.

To summarize the quoted policy and apply to claimant's situation, three factors are at play. First, except for categorical eligibility, it is true that the electric bill did not have to be in claimant's name. However, the bill must be connected to the claimant's current address, and it was not. Second, for categorical eligibility, the name on the electric account must match the adult case grantee name or the grantee's spouse's name. In claimant's case, it was not, but the account was in her landlord's name. Third, for non-categorical eligibility, all income of claimant's household has to be included and required payment determination made, in addition to claimant showing that she had an electric emergency. None of this criteria applied to claimant's case, and department could not approve electric payment for an emergency that did

not exist at claimant's new residence. Claimant has agreed during the hearing to contact the electric company and have her past due bill from previous address transferred to her new address, and then to provide this information to the department for possible SER help.

Third issue is claimant's CDC case. Hearing testimony establishes that the claimant has been approved for such payments, but that the computer problems are preventing the payments from being issued. Department's representatives will check with the Bridges Help Desk in Lansing to find out if the issue is being resolved. Unfortunately, the local county office is unable to do anything about this issue, and this Administrative Law Judge cannot order that computer system be fixed within certain time limits. Claimant understands the problem and states she has advised her day care provider that her payments will be delayed.

#### DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department correctly denied claimant's SER application in September, 2009, and that the department approved claimant's CDC application but the payments have not been issued due to a computer problem department is attempting to correct.

Accordingly, department's actions on claimant's SER and CDC applications are **AFFIRMED**.

Department shall however take the following action on claimant's FAP case:

1. Compute claimant's FAP budget starting in August, 2009 by including her shelter expenses effective in this month.
2. Issue the claimant any FAP benefits for August, September and October, 2009 she is entitled to receive due to addition of the shelter expense in the FAP budget, in form of a supplement.

3. Notify the claimant in writing of this determination.

SO ORDERED.

/s/ \_\_\_\_\_  
Ivona Rairigh  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: October 12, 2009

Date Mailed: October 12, 2009

**NOTICE:** Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 60 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the receipt of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

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