

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Reg. No: 2011-10222

Issue No: 5020

[REDACTED]

ADMINISTRATIVE LAW JUDGE: Kandra Robbins

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37, 7 CFR 273.16, MAC R 400.3130, and MAC R 400.3178 upon the Claimant's request for hearing. After due notice, a telephone conference hearing was held on February 23, 2011. The Claimant was present and testified.

ISSUE

1. Did the Department properly process Claimant's State Emergency Relief (SER) application?

FINDINGS OF FACT

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

1. The Claimant filed a SER application on October 19, 2010 requesting assistance with Non-emergency home repairs.
2. The Claimant presented an estimate for repairs in the amount of [REDACTED] (Department Exhibit p2).
3. The Department received verification of a bank account in the amount of [REDACTED] from [REDACTED]. (Department Exhibit p3).
4. The Claimant receives monthly RSDI income in the amount of [REDACTED]. (Department Exhibit p4-6).
5. The Claimant was sent a State Emergency Relief Decision Notice on October 19, 2010. (Department Exhibit p1).

6. On November 19, 2010, the Department received the claimant's Request for Hearing protesting the Department's determination of her SER application.

CONCLUSIONS OF LAW

The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code, MAC R 400.901 - .951. An opportunity for a hearing shall be granted to an applicant who requests a hearing because his claim for assistance is denied. MAC R 400.903(1) An opportunity for a hearing shall be granted to an applicant who requests a hearing because of a denial. MAC R 400.903(2)

Clients have the right to contest a department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. BAM 600. The department will provide an administrative hearing to review the decision and determine the appropriateness. BAM 600.

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).

Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), Reference Table Manual (RFT), Emergency Relief Manual (ERM) and the Bridges Reference Manual (BRM). Department Policy states:

ERM 101 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.

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 (see ERM 204, Client-Caused Emergencies).
- 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 205 DEPARTMENT POLICY

Verify and count all non-excluded assets of SER group members for all services except energy. See ERM 301. Count only available assets when determining SER eligibility. Consider an asset totally available unless it is claimed and verified that a portion of the asset's value belongs to another owner or owners.

ASSET LIMITS

Cash The SER group must use countable cash assets to assist in resolving their emergency. The protected cash asset limit is \$50. **Exclude the first [REDACTED] of an SER group's cash assets.**

The amount in excess of the protected cash asset limit is deducted from the cost of resolving the emergency and is called the asset copayment. See ERM 208 for instructions on using excess cash assets as a copayment.

TYPES OF ASSETS

Assets are cash or non-cash.

Cash Assets Examples of **cash** assets are:

- Currency and coins.
- Amounts on deposit in banks, savings and loan associations, credit unions and other financial institutions.

ERM 206 DEPARTMENT POLICY

Bridges establishes the SER countable income period and determines the SER group's net countable income based on application date and entry of income information in the data collection screens. Refer to SER 208, Budget Computation, for policy on determining the group's SER financial eligibility and their required copayments.

COUNTABLE INCOME PERIOD

The SER budget computation period is 30 days. This is referred to as the countable income period. The first day of the countable income period is the date the local office receives a signed application for SER.

COUNTABLE INCOME

Verify and budget all nonexcluded gross income the SER group expects to receive during the countable income period. **Do not prorate income.**

Unearned Income Examples

- FIP and SDA.
- Social Security benefits (RSDI/SSI) use the net amount received.

INCOME EXPENSES

Unearned Income Net unearned income must be determined by deducting all of the following from the gross amount received:

- Mandatory withholding taxes.
- Court ordered child support paid, including arrears, but not more than the amount ordered by the court. No deduction is made for paid, voluntary child support.
- Payments for health insurance.
- Medicare premiums that will not be reimbursed.

ERM 208 DEPARTMENT POLICY

SER group members must use their available income and cash assets that will help resolve the emergency. Do not

authorize a SER payment unless it will resolve the emergency.

Budget Computation

Bridges determines eligibility or ineligibility for each SER application and service requested. The worker is responsible for certifying the eligibility results and authorizing the payment. It is not necessary to place a printed copy of the budget in the case record.

Asset Copayment In most non-energy cases cash assets in excess of \$50 result in an asset copayment. Energy only cases do not have an asset test and therefore do not have an asset copayment. An asset copayment cannot be reduced or waived.

Income Copayment

A group is eligible for non-energy SER services with respect to income if the total combined monthly net income that is received or expected to be received by all members of the group in the 30-day countable income period is not more than the monthly basic income need standard for non-energy services for the number of members in the SER group see Exhibit I, SER Income Need Standards for Non-Energy Services. Income that is more than the basic monthly income need standard for the number of members in the group must be deducted from the cost of resolving the emergency. This is the income copayment. There are no income copayments for SER energy services. With respect to income, clients are either eligible or they are not. For a group to be eligible for energy services, the combined monthly net income that is received or expected to be received by all members of the group in the 30-day countable income period cannot exceed the monthly income need standard for SER energy/LIHEAP services for the number of members in the group. If the income exceeds the limit, the request must be denied.

Total Copayment The income and asset copayments combined together to determine the SER group's total copayment. The total copayment is the amount the SER group must pay toward their emergency. Copayment amounts are deducted from the cost of resolving the emergency.

EXHIBIT I – SER INCOME NEED STANDARDS FOR

NON-ENERGY SERVICES

SER Group Size Income Need Standard



In this case, the Claimant filed an application for SER for home repairs to replace a tub and surround. This is a non-emergency service. Department policy requires that Claimants must meet financial eligibility requirements in order to be eligible for SER services. In order to determine financial eligibility, the Department calculates assets and income. ERM 208. Department policy indicates that assets include the available amount of cash in a bank account. ERM 205. The Claimant in this case provided proof of a checking account at Fifth Third bank. At the time of application, the bank account had a balance of [REDACTED]. The Department is also required to determine income. The Claimant, in this case, receives monthly RSDI in the amount of [REDACTED]. Department policy provides for a stand deduction in non-emergency services. This deduction is [REDACTED] for a group size of 1. ERM 208. The Claimant is a group size of 1. The Department prepared an SER budget to determine the Claimant's eligibility. The Net Countable income is determined based on the monthly income minus limited deductions. The Claimant does not have any of the limited deductions listed in policy. Therefore, her Net Countable Income was properly determined to be [REDACTED]. The Standard Deduction of [REDACTED] was applied resulting in an Income Co-payment of [REDACTED]. The Claimant's assets were [REDACTED]. Department policy excludes the first [REDACTED] from being used. This brings the Claimant's Asset Co-payment to [REDACTED]. The final co-payment is the summation of the Income Co-payment and Asset Co-payment. The Claimant has a total Co-payment of [REDACTED]. Her requested need was [REDACTED]. Because the Claimant's Co-payment is in excess of the requested need, she is not eligible for the SER assistance. The Claimant requested that her monthly expenses be deducted from her income. Policy does not provide for the deduction of such expenses. It is limited to child support, health insurance premiums, dependent care, non-reimbursed medicare premiums. Therefore, the Claimant's eligibility was properly determined.

