

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: 2011-1569

[REDACTED]

ADMINISTRATIVE LAW JUDGE: Suzanne L. Morris

**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 December 2, 2010. The claimant appeared and provided testimony.

**ISSUE**

Did the department properly process the claimant's State Emergency Relief (SER) request?

**FINDINGS OF FACT**

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

1. On September 2, 2010, the claimant applied for SER assistance with 2008 property taxes. The claimant submitted a Notice of Pending Judicial Foreclosure and a [REDACTED] delinquent Tax Notice, showing a delinquency of [REDACTED] if paid by September 30, 2010. (Department Exhibit 1 – 2)
2. The department mailed the claimant a copy of a SER Decision Notice (DHS-1419) on September 9, 2010 that indicated the department would pay [REDACTED] if the claimant paid his income co-payment of [REDACTED]. (Department Exhibit 5 – 7)
3. On December 2, 2010, the department issued a corrected SER Decision Notice that indicated the claimant's co-payment was [REDACTED]. This

corrected decision notice gave the claimant credit for the insurance premiums he was paying. (Department Exhibit 8 – 9)

4. The claimant submitted a hearing request on September 15, 2010.

### **CONCLUSIONS OF LAW**

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 policy indicates:

#### **COUNTABLE INCOME**

Verify and budget all non-excluded gross income the SER group expects to receive during the budget computation period. **Do not prorate income.**

#### **Unearned Income Examples:**

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

**Note:** Do not count reimbursement of Medicare premiums.

- . SSI State Supplemental Payments. Refer to Reference Schedules Manual (RFS), Item 106, State SSI Payment Payroll Deadline Schedule.

**Note:** Budget the entire [REDACTED] amount if it is expected to be received in the countable income period. (Do not budget [REDACTED] per month as a prorated amount.)

- . Alimony, child support and child support participation payments
- . VA benefits
- . Lump sum payments of accumulated monthly benefits
- . Payments from sick and accident insurance plans
- . Pensions and retirement benefits
- . UCB (Unemployment Compensation Benefits)

- . Worker's Compensation
- . Strike Benefits
- . Income received from the sale of property
- . Military allotments
- . Investment income, such as dividends and interest
- . Income from annuities, bonds, stocks and trusts

**Earned Income Examples:**

- . Earnings from work as an employee (wages, salary, college work-study, commissions, tips)
- . Earnings from self-employment
- . Training allowances paid to persons enrolled in sheltered workshops
- . Rental income
- . Chore services payments. ERM, Item 206, pp. 1-2.

**INCOME DEDUCTIONS**

**Unearned Income**

The only deductions allowed in SER unearned income budgeting are:

- . Mandatory withholding taxes (use 25% of the gross)
- . Paid, court-ordered child support, up to the amount ordered by the court, including arrears if ordered. No deduction is made for paid, voluntary child support.
- . Health insurance premiums
- . Medicare premiums that will not be reimbursed. ERM, Item 206, p. 3.

**Income/Asset Co-payment**

Available income means net income in excess of the SER need standard (see Exhibit 1). This is the income co-payment.

Cash assets in excess of [REDACTED] in the asset co-payment.

Add the income and asset co-payments together to determine the SER group's total co-payment. ERM, Item 208, p. 1.

### **Co-payment Process**

The co-payment is the amount the SER group must pay. Deduct any co-payments from the cost of resolving the emergency.

The claimant is disputing [REDACTED] department's State Emergency Relief decision that included a co-payment of [REDACTED]. The claimant submitted a request for SER assistance with delinquent property taxes on September 2, 2010. At that time, the department budgeted the claimant's income, which consists of RSDI in the amount of [REDACTED] and pension income of [REDACTED]. Both RSDI and pension payments are includable in the claimant's budget. ERM 206.

The department did not compute any deduction for insurance premiums in this initial budget. Department policy allows for a deduction of insurance premiums. ERM 206. The claimant brought proof of his insurance premiums to this administrative hearing.

The department worker rebudgeted the claimant's SER eligibility after the hearing, giving the claimant the insurance premium deduction. This resulted in a new SER decision notice. The claimant's co-payment decreased to [REDACTED].

This Administrative Law Judge finds that the department did properly correct the SER decision notice once verification of the insurance premiums were received.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department properly processed the claimant's State Emergency Relief (SER) request.

Accordingly, the department's determination is UPHELD. SO ORDERED.

/s/

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Suzanne L. Morris  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: 2/1/11

Date Mailed: 2/1/11

