

**STATE OF MICHIGAN
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES**

IN THE MATTER OF:

██████████
██
██

Reg. No.: 2013-48623
Issue No.: 2000; 3000; 5026
Case No.: ██████████
Hearing Date: June 19, 2013
County: Wayne (35)

ADMINISTRATIVE LAW JUDGE: Eric Feldman

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claimant's request for a hearing. After due notice, a telephone hearing was held on June 19, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included ██████████ Assistant Payment Worker.

ISSUE

Did the Department properly deny Claimant's request for State Emergency Relief (SER) assistance for relocation services?

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 April 1, 2013, Claimant applied for SER assistance for relocation services and energy services. Exhibit 1.
2. On April 4, 2013, the Department sent Claimant a State Emergency Relief Decision Notice, which required Claimant to pay \$735 to prevent his eviction by April 30, 2013. Exhibit 1.
3. On April 4, 2013, the State Emergency Relief Decision Notice also stated that once Claimant submits proof of his payment, the Department would then pay \$478 towards Claimant's rent to prevent his eviction. Exhibit 1.

4. On April 29, 2013, Claimant submitted proof of his payment which occurred on April 27, 2013 in the amount of \$1,486. Exhibit 1.
5. On an unspecified date, the Department denied paying its \$478 portion because Claimant resolved his emergency to prevent eviction.
6. On May 6, 2013, the Department received Claimant's hearing request, protesting the SER denial. Exhibit 1.

CONCLUSIONS OF LAW

Preliminary matters

As a preliminary matter, Claimant's Request for Hearing also protested his Food Assistance Program (FAP) and Medical Assistance (MA) benefits. However, during the hearing, Claimant did not want to address those issues. Thus, pursuant to Michigan Administrative Code Rule 400.906(1), Claimant's hearing request for FAP and MA benefits are hereby DISMISSED.

Also, on April 1, 2013, Claimant applied for SER assistance for energy services in the amount of \$131.90. Exhibit 1. However, Claimant testified that he was able to pay his energy service bill and resolve his emergency. Thus, this decision will only address Claimant's request for relocation services.

SER assistance

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 Mich Admin Code, Rule 400.7001 through Rule 400.7049. Department policies are found in the Department of Human Services State Emergency Relief Manual (ERM).

SER assists individuals and families to resolve or prevent homelessness by providing money for rent, security deposits, and moving expenses. ERM 303 (August 2012), p. 1. To prevent the client from becoming potentially homeless, the client must provide a court summons, order, or judgment was issued which will result in the SER group becoming homeless. ERM 303, pp. 3 and 5. A demand for possession non-payment of rent or a notice to quit is not sufficient. ERM 303, p. 5.

Additionally, if an application is made for shelter, heat, electricity or utilities, a determination of required payments must be made. ERM 208 (October 2012), p. 3. Required payments are determined based on the group size, the group's income and the obligation to pay for the service that existed during each month of the six months prior to application. ERM 208, p. 3. If required payments have not been made, the Department will determine whether the SER group had good cause for non-payment of their shelter obligation during the last six months, regardless of the reason they are in need. ERM 303, p. 3.

In this case, on April 4, 2013, the Department sent Claimant a SER Decision Notice informing him that his April 1, 2013, application for SER assistance to prevent eviction was approved and that upon his payment of a \$735 income/asset copayment, the Department would pay \$478 towards his shelter emergency. Exhibit 1. On April 29, 2013, Claimant submitted proof of his payment which occurred on April 27, 2013 in the amount of \$1,486. Exhibit 1. On an unspecified date, the Department denied paying its \$478 portion because Claimant resolved his emergency to prevent eviction as he paid above his \$735 income/asset copayment. Here, Claimant is protesting that the Department should be responsible for paying its \$478 portion as he met his \$735 income/asset copayment.

The Department determines eligibility or ineligibility for each SER application and service requested. ERM 208, p. 1. In most cases, cash assets in excess of \$50 result in an asset copayment. ERM 208, p. 1. An asset copay cannot be reduced or waived. ERM 208, p. 1. Also, 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 group members in the 30-day countable income period does not exceed the standards found in Exhibit I, SER Income Need Standards for Non-Energy Services. ERM 208, p. 1. Income that is more than the basic monthly income need standard for the number of group members must be deducted from the cost of resolving the emergency. ERM 208, p. 1. This is the income copayment. ERM 208, p. 1.

The income and asset copayments combined together determine the SER group's total copayment. ERM 208, p. 1. The total copayment is the amount the SER group must pay toward their emergency. ERM 208, p. 1. Copayment amounts are deducted from the cost of resolving the emergency. ERM 208, p. 1.

The client is notified on the DHS-1419, Decision Notice, of their copayment amount and the deadline to return verification that they have paid their copayment. ERM 208, p. 2. The Department worker must pseudo-authorize the application in order to establish the deadline date and to issue the DHS-1419. ERM 208, p. 2. The deadline date is always the last day of the 30-day eligibility period regardless of when the client requests the service. ERM 208, p. 2. The client must provide verification of their payment by the last day of the 30-day eligibility period. ERM 208, p. 2.

Before authorizing the Department's portion of the cost of services, it verifies that the copayment, shortfall, and contribution have been paid by the client or will be paid by another agency. ERM 208, p. 4. Once verification is received, the Department will use the DHS-849, Authorization/Invoice, to notify the vendor and local office fiscal unit of the SER group's copayment and approved services. ERM 208, p. 3. This form will authorize and issue payment for all SER covered services. ERM 401 (August 2012), p. 1.

At the hearing, Claimant did provide verification that he met his \$735 copayment within the required timeframe. However, the Department testified that the proof of payment was in the amount of \$1,486. See Exhibit 1. The SER Decision Notice indicated that the total rent to prevent eviction that included DHS obligation was \$1,213. See Exhibit

1. The Department testified that Claimant paid above this amount, and therefore, resolved his shelter emergency. The Department would not pay its \$478 towards his shelter emergency.

Claimant testified that he had to pay two months of rent plus miscellaneous fees in order to avoid eviction. Claimant testified that he had to pay respectively his March 2013 rent in the amount of \$579 and also had to pay his April 2013 rent in the amount of \$599. Claimant testified that the remaining balances were miscellaneous late fees and attorney fees. Claimant also presented at the hearing his payment history with his rental unit. See Exhibit A. This payment history did indicate that Claimant had late charges, attorney fees, and rental obligations that he owed. See Exhibit A. Moreover, the payment history shows that Claimant still had an outstanding balance after his \$1,486 payment. See Exhibit A.

Based on the foregoing information and evidence, the Department improperly denied paying its \$478 portion towards the shelter emergency. First, Claimant did provide verification that he met his \$735 copayment within the required timeframe. ERM 208, p. 2. Second, Claimant credibly testified that he had to pay in excess of his copayment for past/future rental obligations as well as late fees and attorney's fees. Claimant also corroborated his testimony by providing his payment history that indicated that he had to pay rent to avoid eviction. See Exhibit A. Claimant still had an outstanding balance after his payment. Because Claimant met his income/asset copayment, the Department is responsible for its \$478 portion towards Claimant's shelter emergency. Thus, the Department improperly denied Claimant's SER application in accordance with Department policy.

DECISION AND ORDER


The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated above and on the record, finds that the Department did not act properly in regards to its SER decision.

Accordingly, the Department's SER decision is REVERSED for the reasons stated above and on the record.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Reregister Claimant's April 1, 2013, SER application; and
2. Issue payment to Claimant's landlord of the \$478 amount the Department agreed to pay in the April 1, 2013, SER Decision Notice sent to Claimant, less any amounts the Department did in fact pay.

It is ALSO ORDERED that pursuant to Michigan Administrative Code Rule 400.906(1), Claimant's hearing request for FAP and MA benefits are hereby DISMISSED.



Eric Feldman
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: June 24, 2013

Date Mailed: June 24, 2013

NOTICE: Michigan Administrative Hearing System (MAHS) 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. MAHS will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 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.

Claimant may request a rehearing or reconsideration for the following reasons:

- A rehearing **MAY** be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.
- A reconsideration **MAY** be granted for any of the following reasons:
 - misapplication of manual policy or law in the hearing decision,
 - typographical errors, mathematical error, or other obvious errors in the hearing decision that affect the substantial rights of the claimant:
 - failure of the ALJ to address other relevant issues in the hearing decision.

Request must be submitted through the local DHS office or directly to MAHS by mail at
Michigan Administrative Hearings
Reconsideration/Rehearing Request
P. O. Box 30639
Lansing, Michigan 48909-07322

EJF/cl

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