

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

IN THE MATTER OF:



Reg. No.: 2014-24082
Issue Nos.: 2002, 5001
Case No.: [REDACTED]
Hearing Date: February 24, 2014
County: Wayne (82-19)

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

HEARING DECISION

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, a telephone hearing was held on February 24, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Assistance Payments Supervisor, and [REDACTED], Eligibility Specialist.

ISSUES

1. Did the Department properly close Claimant's Adult Medical Program (AMP) case?
2. Did the Department properly process Claimant's State Emergency Relief (SER) application for assistance with rent arrearage?

FINDINGS OF FACT

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

1. Claimant was an ongoing recipient of AMP benefits.
2. On December 17, 2013, the Department sent Claimant a verification checklist (VCL) requesting "updated earned income at redetermination" by December 27, 2013.
3. On January 13, 2014, Claimant submitted two paystubs for employment with [REDACTED] with a January 27, 2012, pay date and a January 13, 2012, pay date.

4. On January 13, 2014, Claimant applied for SER assistance with rent arrearage totaling \$2,185.
5. On January 13, 2014, the Department sent Claimant a Notice of Case Action closing his AMP case because he had failed to verify his earned income.
6. On January 14, 2014, the Department sent Claimant an SER Decision Notice notifying him that the Department would pay \$410 to his landlord towards his emergency upon confirmation of his payment of \$1,775 to the landlord.
7. On January 24, 2014, Claimant filed a request for hearing disputing the Department's closure of his AMP case and the amount of the SER assistance.

CONCLUSIONS OF LAW

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), Department of Human Services Reference Tables Manual (RFT), and Department of Human Services Emergency Relief Manual (ERM).

The Adult Medical Program (AMP) is established by 42 USC 1315 and is administered by the Department pursuant to MCL 400.10.

The State Emergency Relief (SER) program is established by the Social Welfare Act, MCL 400.1-.119b. The SER program is administered by the Department (formerly known as the Family Independence Agency) pursuant to MCL 400.10 and by Mich Admin Code, R 400.7001 through R 400.7049.

Additionally, Claimant requested a hearing concerning the closure of his AMP case and the calculation of her SER assistance.

AMP Closure

Claimant was receiving medical coverage under the AMP program. The Department testified that, in connection with a Food Assistance Program (FAP) redetermination in 2013, it was required to verify Claimant's earned income from the [REDACTED] program in connection with his AMP case.

The Department excludes income earned under a senior community service employment program (established by Title V of Public Law 100-175 (Older Americans Act). BEM 501 (January 2014), p. 4. The evidence at the hearing established that [REDACTED] was a senior service employment program. As such, Claimant's income from [REDACTED] was excluded income. The Department is required to verify all **non-excluded** earned income at application, member add (only for the new member), redetermination, and when program policy requires a change be budgeted. BEM 501, p. 9. Because Claimant's income from [REDACTED] was excluded income, the Department was not required to verify this income. As such, the Department did not act

in accordance with Department policy when it closed Claimant's AMP case for failure to verify the income.

It is further noted that the Department acknowledged that it received verifications responsive to the VCL on January 23, 2014. Because the documents were received within the negative action period of the January 13, 2014, Notice of Case Action notifying Claimant of the closure of his AMP case, the Department was required to process the received documents and, because the Department testified that the provided paystubs were response to the VCL, delete the negative action and reinstate Claimant's AMP case. BAM 220 (January 2014), pp. 11, 12; BAM 600 (January 2013), p. 21.

SER Application

Claimant also requested a hearing concerning the Department's SER Decision. The Department did not provide a copy of the decision into evidence but testified that Claimant had requested \$2,185 in SER assistance for rental arrearage and that, in a January 14, 2014, SER Decision, the Department agreed to pay Claimant's landlord \$410 upon Claimant's confirmation that he paid his landlord \$1,775.

SER assistance for relocation services is available to assist individuals and families to resolve or prevent homelessness by providing money for rent arrearage, security deposits, and moving expenses. ERM 303 (October 2013), p. 1. The Department will authorize the amount of SER assistance the SER group needs to keep or obtain permanent shelter, *up to the amount of the issuance maximum for relocation services*. ERM 303, p. 5 (emphasis added). The relocation service maximum payment for a SER group size of one, which Claimant confirmed was his household size, is \$410. ERM 303, p. 7.

Because the maximum SER assistance available to Claimant was \$410, the Department acted in accordance with Department policy when it required Claimant to verify payment of \$1,775, the difference between the \$2,185 in assistance requested and the \$410 the Department was authorized to pay, before it would issue its \$410 payment to the landlord. See ERM 208 (October 2013), pp. 3, 4.

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department acted in accordance with Department policy when it issued the SER Decision Notice agreeing to pay \$410 towards Claimant's emergency upon confirmation of Claimant's payment of \$1,775 but did not act in accordance with Department policy when it closed Claimant's AMP case.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED IN PART with respect to the SER decision and REVERSED IN PART with respect to the AMP closure.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Reinstate Claimant's AMP case effective February 1, 2014; and
2. Provide Claimant with AMP coverage from February 1, 2014 ongoing.



Alice C. Elkin
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: March 3, 2014

Date Mailed: March 3, 2014

NOTICE OF APPEAL: 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 or Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

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 (60 days for FAP cases).

A Request for Rehearing or Reconsideration may be granted when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The Department, AHR or the claimant must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date the hearing decision is mailed.

The written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings

2014-24082/ACE

Reconsideration/Rehearing Request
P.O. Box 30639
Lansing, Michigan 48909-07322

ACE/pf

cc:

