

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

IN THE MATTER OF:



Reg. No.: 14-002481
Issue No.: 3008;4001;5001
Case No.: [REDACTED]
Hearing Date: June 19, 2014
County: WAYNE-DISTRICT 15

ADMINISTRATIVE LAW JUDGE: Zainab Baydoun

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 June 19, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Assistance Payment Worker.

ISSUE

Did the Department properly process Claimant's Food Assistance Program (FAP); State Disability Assistance (SDA); and State Emergency Relief (SER) benefits?

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 FAP benefits in the amount of \$189 monthly. (Exhibit 1)
2. On April 30, 2014, Claimant submitted an application for SDA benefits.
3. On May 6, 2014, the Department sent Claimant a Notice of Case Action informing him that his SDA application was denied on the basis that his income exceeded the limit for the program.
4. On April 30, 2014, Claimant submitted an application for SER assistance with heat services, electricity services and home repairs.

5. On May 6, 2014, the Department sent Claimant a SER Decision Notice informing him that his request for assistance with heat and electricity was approved but that he would be required to make a payment towards the total cost of his request, prior to the Department making its approved payment. The Notice also informed Claimant that his request for assistance with home repairs was denied on the basis that his home is in jeopardy of loss. (Exhibit 4)
6. On May 19, 2014, Claimant submitted a hearing request disputing the Department's actions.

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).

FAP

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food Stamp Act of 1977, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001 to .3015.

Claimant submitted a hearing request disputing the Department's calculation of his FAP benefits. At the hearing, the Department stated and Claimant confirmed that Claimant was approved for FAP benefits in the amount of \$189. The Department presented an eligibility summary which confirms that since February 2014, Claimant has been receiving \$189 in monthly FAP benefits and that there has been no lapse or interruption in his receipt of FAP benefits in that amount. (Exhibit 1).

According to RFT 260, the maximum amount of monthly FAP benefits that Claimant's confirmed group size of one is eligible to receive is \$189. Therefore, the Department did properly determine the amount of Claimant's FAP benefits. RFT 260 (December 2013), p.1.

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 calculated the amount of Claimant's FAP benefits.

SDA

The State Disability Assistance (SDA) program is established by the Social Welfare Act, MCL 400.1-.119b. The Department of Human Services (formerly known as the Family

Independence Agency) administers the SDA program pursuant to 42 CFR 435, MCL 400.10 and Mich Admin Code, R 400.3151-.3180.

In order to be eligible for SDA benefits, an individual must be in financial need. BEM 515 (July 2013), p 1; BEM 518 (July 2013), p 1. Financial need exists when the individual's budgetable income is less than the applicable payment standard and the client passes the issuance deficit test. BEM 515, p 1; BEM 518, p 1. To perform the issuance deficit test, the Department subtracts budgetable income from the applicable payment standard for the benefit month. BEM 518, p 1. The SDA payment standard is \$200 for an individual living alone in an independent living arrangement. RFT 225 (December 2013), p 1.

In this case, Claimant submitted an application for SDA benefits that was denied by the Department on the basis that his income exceeded the applicable payment standard. At the hearing, the SDA Income Test budget was reviewed. (Exhibit 2). The Department determined that Claimant had unearned income of \$735 which it testified came from \$721 in monthly SSI benefits and \$14 in monthly SSP benefits. Claimant confirmed that he receives monthly income in those amounts.

Therefore, because Claimant's budgetable income of \$735 exceeded the SDA payment standard of \$200, the Department did act in accordance with Department policy when it denied Claimant's SDA application due to his income exceeding the limit.

SER

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 Mich Admin Code, R 400.7001 through R 400.7049.

SER Home Repairs

SER assists with home repairs to correct unsafe conditions and restore essential services. ERM 304 (October 2013), p. 1. Non-energy related repairs include all home repairs for client owned housing except furnace repair or replacement. ERM 304, p.3. A request for assistance with home repairs will be authorized if made by an owner, unless the home is in jeopardy of loss. The Department will deny repairs if there is a house payment or property tax arrearage, unless a workable plan exists for paying the arrearage. ERM 304, p.4.

In this case, Claimant requested SER assistance with home repairs in the amount of \$780. (Exhibit 3). The Department denied Claimant's request on the basis that the home is in jeopardy of loss. (Exhibit 4). At the hearing, the Department presented a property and tax information document from the Wayne County Treasurer which indicates that Claimant's home is subject to foreclosure based on unpaid property taxes for the years 2011 and 2012. (Exhibit 6). Although Claimant stated that there is a plan to pay off the taxes and avoid foreclosure, Claimant confirmed that this plan was not yet final and had not taken effect as of the hearing date. Therefore, because Claimant's home was in

jeopardy of loss, the Department properly denied his request for SER assistance with home repairs.

SER Heat and Electricity

Eligible households may receive SER assistance with household heat and electricity costs under the energy services program. ERM 301 (October 2013), p.1. The Department can award payments toward heat costs up to the fiscal year cap if it will resolve the emergency. ERM 301, p.10. Effective October 1, 2013, the fiscal year cap for both heat and electricity services is \$450.00. ERM 301, p.10. Prior to authorizing the department's portion of the cost of services, verification that the copayment, shortfall or contribution has been paid by the client is needed. ERM 301, p.8. The total copayment is the amount the SER group must pay toward their emergency. ERM 208 (October 2013), pp. 1-2. Copayment amounts are deducted from the cost of resolving the emergency. ERM 208, pp. 1-2.

Heat

The Department testified that Claimant was seeking assistance with his heat bill in the amount of \$2691.30 and presented a SER Service Request Summary, as well as an account statement from DTE in support of its testimony. (Exhibits 3 and 5). According to the SER Decision Notice sent to Claimant on May 6, 2014, Claimant was approved for assistance up to the fiscal year cap of \$450 for his request for SER assistance with his heat bill. (Exhibit 4). The Department determined that Claimant had a copayment of \$2241.30. This amount added to the fiscal cap of \$450 equals the total amount of assistance requested by Claimant for heat (\$2691.30). Therefore, the Department acted in accordance with Department policy when it approved Claimant's request for SER assistance with heat up to the fiscal cap and required that he contribute the remaining amount.

Electricity

The Department testified that Claimant was seeking assistance with his electric bill in the amount of \$647.80 and presented a SER Service Request Summary as well as an account statement from DTE in support of its testimony. (Exhibits 3 and 5). The SER Decision Notice informed Claimant that his request for SER assistance with electricity was approved and that the Department would pay \$141.99 towards his outstanding electric bill, but that he would be required to make a contribution payment of \$505.81, prior to the Department contributing the approved amount for the electric service. (Exhibit 4).

The Department testified that Claimant was only approved for a Department payment of \$141.99 towards his electric bill because Claimant had previously been approved for SER assistance with electricity in the amount of \$308.01. The Department stated that the \$308.01 was applied toward the \$450.00 fiscal cap and that Claimant only had \$141.99 remaining in eligible assistance for the fiscal year. The Department presented a SER Service Request summary establishing

that on November 12, 2013, Claimant was approved for SER assistance for electricity services in the amount of \$308.01. (Exhibit 3).

The Department determined that Claimant had a contribution payment of \$505.81. (Exhibit 2). This contribution amount added to the \$141.99 remaining in the fiscal cap not already used by Claimant equals the total amount of assistance requested by Claimant for electricity (\$647.80). Therefore, the Department acted in accordance with Department policy when it approved Claimant's request for SER assistance with electricity in the amount remaining of the fiscal cap and required that he contribute the remaining amount.

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 processed Claimant's request for SER assistance with home repairs, heat and electricity services.

DECISION AND ORDER

Accordingly, the Department's FAP, SDA and SER decisions are AFFIRMED.



Zainab Baydoun

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

Date Signed: **6/24/2014**

Date Mailed: **6/25/2014**

ZB / tlf

NOTICE OF APPEAL: A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides, or the circuit court in Ingham County, within 30 days of the receipt date.

A party may request a rehearing or reconsideration of this Hearing Decision from the Michigan Administrative Hearing System (MAHS) within 30 days of the mailing date of this Hearing Decision, or MAHS may order a rehearing or reconsideration on its own motion.

MAHS may grant a party's Request for Rehearing or Reconsideration 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 party requesting a rehearing or reconsideration 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 this Hearing Decision is mailed.

A written request may be faxed or mailed to MAHS. If submitted by fax, 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
Reconsideration/Rehearing Request
P.O. Box 30639
Lansing, Michigan 48909-07322

cc:

