

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

IN THE MATTER OF:



Reg. No.: 2014-32961
Issue No.: 5001
Case No.:
Hearing Date: May 28, 2014
County: Macomb (36)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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, an in-person hearing was held on May 28, 2014, from Sterling Heights, Michigan. Participants included the above-named Claimant. Participants on behalf of the Department of Human Services (DHS) included , Hearing Facilitator.

ISSUE

The issue is whether DHS properly denied Claimant's application for State Emergency Relief due to Claimant's copayment exceeding her need.

FINDINGS OF FACT

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

1. On , Claimant applied for SER assistance seeking assistance with a \$900 rent arrearage.
2. Claimant's ongoing monthly rent was \$900/month.
3. Over the 6 months before Claimant's SER submission month, Claimant had an \$800 shortfall.
4. DHS projected Claimant to receive \$1009 in net income in the 30 days following Claimant's SER application submission.

5. On [REDACTED], DHS determined that Claimant was ineligible for SER because her shortfall and income copayment exceeded the amount of SER requested.
6. On [REDACTED], Claimant requested a hearing to dispute the SER denial.

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 (formerly known as the Family Independence Agency) policies are found in the Emergency Relief Manual (ERM).

Claimant requested a hearing to dispute a SER denial concerning a rent arrearage. DHS presented testimony that Claimant was initially approved for SER payment; the SER payment was conditional on Claimant making a copayment. DHS labeled this to be a “pseudo-authorization”. As it happened, DHS updated the “pseudo-authorization” to a total denial of SER benefits. The final DHS decision, the denial, will be the decision considered to be disputed by Claimant.

DHS presented evidence that Claimant’s SER request was denied because Claimant’s shortfall and income copayment exceeded the \$900 back-rent request. DHS policy supports denial of an SER application when a copayment exceeds the amount of SER requested.

If an application is made for shelter, heat, electricity or utilities, a determination of required payments must be made. ERM 208 (10/2013), p. 4. 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. *Id.* If the client failed without good cause to make required payments, a short fall amount is determined. *Id.*

DHS defines good cause as income under an amount set by DHS policy. The income amount varies based on a client’s group size.

Based on Claimant’s reported group size, the good cause amount was no greater than \$255. ERM 204 (3/2013), p. 3. It was not disputed that Claimant received at least \$1,000 in each of the six months prior to her SER application. Claimant’s income exceeded the good cause amount for each of the six months prior to her SER application. Thus, Claimant did not have good cause for not paying her full rent in the 6 months before applying for SER.

Over the 6 months prior to SER application, it was not disputed that Claimant’s rent payments were \$800 less than her rent obligations. Accordingly, DHS properly determined that Claimant’s shortfall amount was \$800 (see Exhibits 4-5). In addition to

Claimant's shortfall payment, DHS also determined that Claimant had an income copayment.

Bridges establishes the SER countable income period and determines the SER group's net countable income based on the application date and entry of income information in the data collection screens. ERM 206 (10/2013), 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 (10/2013), p. 1. This is the income copayment. *Id.*

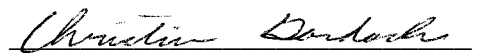
DHS presented Claimant's pay stubs (Exhibits 1-3) from the 30 days before Claimant's application submission. DHS determined Claimant's net income to be \$1009 (see Exhibits 6-7). The DHS calculated amount is proper based on Claimant's wages. The income need standard for a 3-person group is \$625. Thus, the DHS calculated income copayment of \$384.80 was proper.

Adding Claimant's shortfall payment (\$800) and income copayment (\$384.80) results in a total copayment of \$1184.80. The copayment exceeds the amount of Claimant's emergency. Accordingly, DHS properly denied Claimant's SER application.

Claimant presented testimony that she only needed rent assistance from a period where she was giving support to a college student. Claimant testified that she used to drive the student to school. Claimant also testified that she has since stopped driving the student to school and should have no further problems in paying her rent. Claimant's explanation has no impact on any of the budget factors relied on by DHS in denying Claimant's application.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly denied Claimant's SER application dated [REDACTED]. The actions taken by DHS are **AFFIRMED**.


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

Date Signed: 6/6/2014

Date Mailed: 6/6/2014

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

CG/hw

cc:

