

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

IN THE MATTER OF:

██████████
██████████
██████████

Reg. No.: 14-009027
Issue No.: 5001
Case No.: ██████████
Hearing Date: October 20, 2014
County: WAYNE-DISTRICT 18
(TAYLOR)

ADMINISTRATIVE LAW JUDGE: Eric Feldman

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 October 20, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant, ██████████. Participants on behalf of the Department of Human Services (Department or DHS) included ██████████, Family Independence Manager; and ██████████, Eligibility Specialist.

ISSUE

Did the Department properly process Claimant's State Emergency Relief (SER) application with non-heat electricity and heat (hereinafter referred to as "energy services")?

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 May 27, 2014, Claimant applied for SER assistance with energy services. See Exhibit 1, pp. 6-28. Claimant requested \$64.10 in heat assistance and \$98.20 in non-heat electricity assistance in order to avoid shutoff. See Exhibit 1, p. 17.
2. On June 5, 2014, the Department sent Claimant an SER Decision Notice, notifying Claimant that her request for energy services was approved in the amount of \$98.20 for non-heat electricity and \$64.10 for heat. See Exhibit 1, pp. 29-30.
3. On July 28, 2014, Claimant filed a hearing request, protesting the amount of the SER assistance. See Exhibit 1, pp. 3-4.

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 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.

Low-income households who meet all State Emergency Relief (SER) eligibility requirements may receive assistance to help them with household heat and electric costs. ERM 301 (October 2013), p. 1. Funding for energy services assistance is provided through the Low Income Home Energy Assistance Program (LIHEAP). ERM 301, p. 1. For energy related emergencies, the SER crisis season runs from November 1 through May 31. ERM 301, p. 1. Requests for those services will be denied June 1 through October 31. ERM 301, p. 1.

On May 27, 2014, Claimant applied for SER assistance with energy services. See Exhibit 1, pp. 6-28. Claimant requested \$64.10 in heat assistance and \$98.20 in non-heat electricity assistance in order to avoid shutoff. See Exhibit 1, p. 17.

During the hearing, the Department provided Claimant's account statement for energy services. See Exhibit 1, p. 5. The energy services statement indicated a past due amount for non-heat electricity to be \$98.20 and \$64.10 for heat (total of \$162.30). See Exhibit 1, p. 5. On June 5, 2014, the Department sent Claimant an SER Decision Notice, notifying Claimant that her request for energy services was approved in the amount of \$98.20 for non-heat electricity and \$64.10 for heat (total of \$162.30). See Exhibit 1, pp. 29-30. Thus, the Department argued that it paid the minimum necessary to prevent Claimant's shutoff.

At the hearing, Claimant argued that her past due amount to avoid shutoff was greater than the amount DHS approved. Claimant testified that her past due amount for May 2014 was \$998.37. It was unclear from the Claimant's perspective of why the past due amount authorized was lower than the alleged \$998.37 she owed at the time of application.

Additionally, Claimant testified that when she applied online, the application took her to the online energy services statement. Claimant testified that the online statement showed the same past due amounts as the Department provided in Exhibit 1. See Exhibit 1, p. 5. As such, Claimant entered in the application the past due amounts of \$98.20 (non-heat electricity) and \$64.10 (heat), even though Claimant was aware that her past due amounts were higher. See Exhibit 1, p. 17.

Finally, Claimant testified that because she still owed past due amounts after the approval of the SER application, she had to borrow \$300 from family/relatives to avoid shutoff. Claimant testified that the amount she borrowed allowed her to go into a payment plan to avoid shutoff and that she is currently still on the payment plan (interest accruing). It should be noted that Claimant testified that she attempted to provide the May 2014 energy services bill at the pre-hearing conference, but the Department declined.

Based on the foregoing information and evidence, the Department properly processed Claimant's SER application for energy services effective June 5, 2014.

When the group's heat or electric service for their current residence is in past due status, in threat of shutoff, or is already shutoff and must be restored, payment may be authorized to the enrolled provider. ERM 301, p. 1. The amount of the payment is the minimum necessary to prevent shutoff or restore service, not to exceed the fiscal year cap. ERM 301, p. 1. Payment must resolve the emergency by restoring or continuing the service for at least 30 calendar days. ERM 301, p. 1.

The requested amount in the Department's system must match the amount on the past due or shutoff notice/bill, or the declared amount needed for a deliverable fuel. ERM 301, p. 4. If there is a discrepancy in the amount needed to resolve the emergency, there must be documentation in the case record. ERM 301, p. 4. A bill must be obtained before authorizing a payment. ERM 301, p. 9.

The Department completes an SER budget for each request/application. ERM 103 (October 2013), p. 2. The Department calculates payment maximums, required payments, income and asset copayment, client contributions, etc. based on the information entered from the SER application and determines eligibility or ineligibility for SER. ERM 103, p. 2.

First, the Department properly authorized payment for Claimant's energy services based on the past due amounts she requested in her application. See ERM 103, p. 2. Claimant failed to indicate in the application that she owed a higher past due amount. The evidence presented that at the time of application Claimant's past due amounts totaled \$162.30, which the Department properly authorized. See energy service account statement, Exhibit 1, p. 5. There was no evidence presented at the time of application to indicate a discrepancy in the amount needed to resolve the emergency. See ERM 301, p. 4. As such, the Department acted in accordance with Department policy when it properly authorized the minimum payments necessary to prevent Claimant's shutoff. See ERM 301, pp. 1 and 9.

Second, even though it is subsequent to Claimant's SER application, her emergency has been resolved. As a condition of SER eligibility, all the adults in the SER group must agree to take actions within their ability to make potential resources available. ERM 203 (June 2013), p. 1. Potential resource means an asset or income that may be


available to a client if action is taken to make this available. ERM 203, p. 1. The evidence presented that Claimant received assistance from family/relatives, which avoided her energy services shutoff and placed her into a payment plan. As such, Claimant took actions within her ability to resolve the emergency. See ERM 203, p. 1.

For the reasons stated above, the Department properly processed Claimant's SER application for energy services effective June 5, 2014. Claimant was notified that she can apply for SER assistance with energy services as the crisis season begins on November 1, 2014. See ERM 301, p. 1.

DECISION AND ORDER

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 properly processed Claimant's SER application for energy services effective June 5, 2014.

Accordingly, the Department's SER decision is AFFIRMED.


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

Date Signed: **10/27/2014**

Date Mailed: **10/27/2014**

EJF / cl

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:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
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