

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

IN THE MATTER OF:

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Reg. No.: 14-019302
Issue No.: 3001; 5001
Case No.: ██████████
Hearing Date: March 18, 2015
County: Wayne-District 17

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, an in-person hearing was held on March 18, 2015, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included █████ █████, Family Independence Manager.

ISSUE

Did the Department properly deny Claimant's application for State Emergency Relief (SER) assistance with home repair, moving expenses, homeowner's insurance, heat, electricity, and water/sewer?

Did the Department properly deny Claimant's application for Food Assistance Program (FAP) 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. On October 17, 2014, Claimant filed a SER application seeking assistance with home repairs, moving expenses, homeowner's insurance, heat, electricity, and water/sewer.
2. On November 26, 2014, Claimant filed a FAP application.
3. On December 3, 2014, the Department sent Claimant an Application Notice denying his SER application. The specialist's comments on the notice indicated

that “client applied for SER because of fire that occurred in his home, however he did not provide proof of what assistance he is seeking from dhs. Additionally, he is behind on his property taxes and current show the applicant is delinquent [sic].”

4. On December 9, 2014, the Department sent Claimant a Notice of Case Action notifying him that he was ineligible for FAP benefits because the household’s gross income exceeded the gross income limit for FAP eligibility.
5. On December 30, 2014, Claimant filed a request for hearing 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).

In his December 30, 2014, hearing request, Claimant did not clearly identify the programs at issue. Although the Department prepared a hearing summary addressing only Claimant’s SER denial, at the hearing, Claimant explained that he was concerned about the Department’s denial of both his FAP and SER applications.

FAP Application

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.

The Department testified that Claimant was denied FAP because his FAP group’s gross income exceeded the gross income limit for FAP eligibility applicable to a two-person FAP group. Because all FAP applicants are eligible for enhanced authorization for Domestic Violence Prevention Services (DVPS), the monthly categorical income limit (200% of the poverty level), from RFT 250, column D (October 2014), p. 1, applies as the standard for gross income FAP eligibility. BEM 213 (July 2014), pp. 1-2. Therefore, the gross income limit applicable to a two-member FAP group is \$2622. RFT 250, p. 1.

The evidence established that Claimant lived with his wife and they had a ■-year-old son who lived with them when he was not attending college. Claimant confirmed that his son was a full-time college student who did not work at least 20 hours, did not participate in a work study program, was not mentally or physically incapable of working, and did not care for a minor child. Therefore, Claimant’s son was an ineligible

student for FAP purposes. BEM 245 (July 2014), pp. 3-5. As such, the Department properly concluded that there were two members in Claimant's FAP group.

The Department testified, and Claimant confirmed, that the only income received by the FAP group was Claimant's wife's biweekly gross income of \$1351.28. To determine gross monthly income, Department policy requires that biweekly pay be multiplied by 2.15. BEM 505 (July 2014), pp. 7-8. Claimant's wife's biweekly pay times 2.15 results in gross monthly income of \$2905.25. Because the FAP group's income exceeds the \$2622 gross income limit, the Department acted in accordance with Department policy when it denied Claimant's FAP application.

SER Application

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.

In his October 17, 2014 SER application, Claimant requested assistance for moving expenses, homeowner's insurance, home repairs, heat, electricity, and water/sewer. In the December 3, 2014 Application Notice, the Department denied the application and the specialist commented that Claimant had requested SER assistance because of a fire to his home but he did not provide proof of the assistance he was seeking. She also noted that Claimant had outstanding property taxes.

At the hearing, the Department testified that Claimant's application for home repairs was denied because there were outstanding taxes on the property. Department policy provides that a SER application for assistance with home repairs must be denied if there is a property tax arrearage unless a workable plan exists for paying the arrearage. ERM (October 2013), p. 4.

In this case, the Department presented a printout from the Wayne County Treasurer showing that there were outstanding taxes on Claimant's home in excess of \$2000 and the status was "delinquent." Claimant disputed the evidence, explaining that he had spoken to someone at the Treasurer's office and was advised that the property taxes were paid. However, the Department testified that it had updated the tax information prior to the hearing and found that the outstanding 2013 property taxes were in foreclosure status and there were additional outstanding taxes for 2014. In light of the evidence presented, the Department acted in accordance with Department policy when it denied Claimant's SER application for home repairs based on outstanding property taxes.

The Department worker at the hearing testified that Claimant's SER application was processed only for home repairs. Although the SER Application Notice indicates that Claimant did not provide proof of what assistance he sought in connection with his house fire, in his application, Claimant requested for moving expenses, homeowner's

insurance, heat, electricity, and water/sewer. There was no evidence that the Department requested any proofs from Claimant in the form of a verification checklist. ERM 103 (October 2013), p. 6. Because the Department failed to process Claimant's SER application for moving expenses, homeowner's insurance, heat, electricity, and water/sewer was not processed, the Department did not act in accordance with Department policy. ERM 103 (October 2013), pp. 5-6.

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 denied Claimant's FAP application and his SER application with respect to home repairs and did not act in accordance with Department policy when it failed to process Claimant's October 17, 2014 SER application for assistance with moving expenses, homeowner's insurance, heat, electricity, and water/sewer.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED IN PART with respect to denial of Claimant's FAP application and his SER application for home repairs and REVERSED IN PART with respect to failure to process his SER application for moving expenses, homeowner's insurance, heat, electricity, and water/sewer.

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. Reregister and reprocess Claimant's October 17, 2015 SER application for assistance with moving expenses, homeowner's insurance, heat, electricity, and water/sewer; and
2. Issue supplements to Claimant's provider for any SER benefits Claimant was eligible to receive but did not; and
3. Notify Claimant in writing of its decision.



Alice C. Elkin
Administrative Law Judge
for Nick Lyon, Interim Director
Department of Human Services

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