

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

IN THE MATTER OF:

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Reg. No.: 15-009180
Issue No.: 5001
Case No.: ██████████
Hearing Date: July 13, 2015
County: Wayne-District 19 (Inkster)

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; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on July 13, 2015, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Health and Human Services (Department) included ██████████, Hearings Facilitator.

ISSUE

Did the Department properly deny Claimant's application for State Emergency Relief (SER) assistance on the basis that her shelter was not affordable?

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 or around May 26, 2015, Claimant submitted an application for SER assistance with rent to prevent eviction.
2. On May 28, 2015, the Department sent Claimant a State Emergency Relief Decision Notice informing her that her application was denied on the basis that her shelter was not affordable according to SER requirements. (Exhibit A)
3. On May 29, 2015, Claimant requested a hearing disputing the Department's actions.

CONCLUSIONS OF LAW

Department policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Department of Health and Human Services Bridges Eligibility Manual (BEM), Department of Health and Human Services Reference Tables Manual (RFT), and Department of Health and 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 Department of Human Services) pursuant to MCL 400.10 and Mich Admin Code, R 400.7001-.7049.

SER assists individuals and families to resolve or prevent homelessness by providing money for rent, security deposits, and moving expenses. ERM 303 (October 2013), p.1. An individual will be eligible for SER if a court summons, order, or judgment was issued which will result in the SER group becoming homeless. ERM 303, pp. 3, 5-6. Provided the shelter is affordable, the Department will authorize amounts needed to keep or obtain permanent shelter, up to the issuance maximum amounts. ERM 303, p. 5. The Department will determine if the SER group's rental housing is affordable pursuant to ERM 207. ERM 303, p. 4.

Housing affordability is a condition of eligibility for SER benefits for assistance with relocation services, such as rent to prevent eviction. ERM 207 (March 2013), p.1;ERM 303 (October 2013). If a SER group does not have sufficient income to meet their total housing obligation, the application will be denied. ERM 207, p. 1.

In calculating a client's income eligibility, the Department must consider the client's net income. For unearned income, net income is determined by reducing the gross amount received by mandatory withholding taxes; court-ordered child support paid, including arrears; payments for health insurance; and Medicare premiums that will not be reimbursed. ERM 206 (October 2013), pp. 4-5.

Claimant testified that her monthly housing obligation is \$750. Because water is covered by Claimant's rent, her housing is affordable if the \$750 rent obligation (which is her SER group's total housing obligation) does not exceed 80% of the group's total net countable income. ERM 207, pp. 1-3. In order to determine whether a client's housing is affordable, the Department must multiply the group's total net countable income by eighty percent. ERM 207, p. 2. The result is the maximum total rent the client can have and be eligible to receive SER rent assistance. ERM 207, p. 2.

In this case, at the time Claimant submitted her SER application, her sole income was monthly RSDI benefits. Although there was no SOLQ provided at the hearing, Claimant confirmed that the gross amount of her RSDI benefits was \$801 and that \$104.90 was deducted monthly for her Medicare premium. Claimant testified that she was employed at a school and that she was not working for the summer months but would return to

work when the school year started. Claimant presented paystubs for review at the hearing and stated that she received her last paycheck on May 20, 2015, prior to her SER application. (Exhibit 1). In processing a SER application, to determine a client's countable income, the Department considers the income the client actually received, or is expected to receive, in the 30-day period beginning on the date the local office received a signed application. BEM 206 (October 2013), p. 1. Because Claimant did not have any earned income from employment during the 30-day countable period beginning on the application date, the Department properly excluded the paystubs and any earned income from the housing affordability determination.

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 because Claimant's \$750 rent obligation exceeds her total net countable income by more than 80%, the Department acted in accordance with Department policy when it denied Claimant's SER application on the basis that her shelter was not affordable.

DECISION AND ORDER

Accordingly, the Department's decision is **AFFIRMED**.



Zainab Baydoun
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

Date Signed: **8/3/2015**

Date Mailed: **8/3/2015**

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 copy of the claim or application for appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Hearing Decision from 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 48909-8139

cc:

[REDACTED]
[REDACTED]
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