

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

**IN THE MATTER OF:**



Reg. No.: 15-007915  
Issue No.: 5002  
Case No.: [REDACTED]  
Hearing Date: June 24, 2015  
County: Wayne (49)

**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, a telephone hearing was held on June 24, 2015, from Detroit, Michigan. Participants included the above-named Claimant. Participants on behalf of the Michigan Department of Health and Human Services (MDHHS) included [REDACTED], hearing facilitator.

**ISSUE**

The issue is whether MDHHS properly denied Claimant's State Emergency Relief (SER) application due to Claimant's failure to verify a checking account.

**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 [REDACTED], Claimant applied for SER seeking assistance with an electric bill.
2. On [REDACTED], MDHHS mailed Claimant a Verification Checklist (VCL) requesting a current statement of a checking account; the VCL due date was [REDACTED].
3. By [REDACTED], Claimant failed to submit verification of the requested bank account.
4. On [REDACTED], MDHHS denied Claimant's SER application due to Claimant's failure to verify request account information.

5. On [REDACTED], Claimant requested a hearing disputing the denial of SER benefits.

### **CONCLUSIONS OF LAW**

The State Emergency Relief (SER) program is established by the Social Welfare Act, MCL 400.1-.119b. The SER program is administered by MDHHS (formerly known as the Family Independence Agency) pursuant to MCL 400.10 and Mich Admin Code, R 400.7001 through R 400.7049. MDHHS policies are contained in the Services Emergency Relief Manual (ERM).

Claimant requested a hearing to dispute a denial of SER benefits. MDHHS presented a State Emergency Relief Decision Notice (Exhibit 2) which stated that Claimant's application was denied due to a failure to verify a checking account balance. Claimant presented un rebutted testimony that MDHHS informed him that he needed to verify an account associated with his Social Security Administration (SSA) benefits. Claimant referred to the account as a Direct Express account.

MDHHS is to verify the ownership and equity value of all non-excluded assets. ERM 205 (March 2013), p. 6. Cash held in bank accounts are a cash asset requiring verification (see *Id.*, p. 2).

Claimant conceded that he did not submit verification of his Direct Express account. Claimant contended that he did not to submit verification because he previously submitted sufficient verification.

Claimant testified that he provided MDHHS in October 2014 with a transaction slip of the account. Claimant testified that his transaction slip verified a \$1.00 balance. Claimant contended that MDHHS should have known that he had no more than \$1.00 in the account because he was no longer eligible for SSA benefits and Direct Express accounts only allow deposits from SSA benefit issuances.

Direct Express website (<https://www.usdirectexpress.com/edcfdtclient/docs/faq.html#1>) confirmed that the account only allows SSA deposits. Thus, Claimant's argument has some merit. The website also stated that a client can voluntarily close the account. If Claimant prefers to keep the account active, he should be expected to verify a current account balance when required by MDHHS policy. This is a more reasonable expectation than having MDHHS researching the intricacies of Direct Express policies and keeping track of Claimant's SSA eligibility.

It is found that Claimant failed to verify assets for SER eligibility. Accordingly, it is found that MDHSS properly denied Claimant's SER application.

**DECISION AND ORDER**

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

*Christian Gardocki*

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**Christian Gardocki**  
Administrative Law Judge  
for Nick Lyon, Director  
Department of Health and Human Services

Date Signed: **6/26/2015**

Date Mailed: **6/26/2015**

CG / hw

**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:

