



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
Christopher Seppanen
Executive Director

SHELLY EDGERTON
DIRECTOR

[REDACTED]

Date Mailed: May 17, 2016
MAHS Docket No.: 16-004115
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

HEARING DECISION

Following Petitioner'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 May 9, 2016, from Detroit, Michigan. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by [REDACTED], hearing facilitator.

ISSUE

The issue is whether MDHHS properly processed Petitioner's State Emergency Relief application.

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], Petitioner applied for SER seeking assistance for a furnace purchase.
2. Petitioner's SER application reported assets of \$80.
3. MDHHS did not request verification of Petitioner's assets.
4. On [REDACTED] 6, MDHHS approved Petitioner's SER application for \$1,728.82, subject to a \$2,121.18 asset copayment to be made by [REDACTED]

5. On [REDACTED], Petitioner requested a hearing to dispute the SER determination.

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).

Petitioner requested a hearing due to “no heat.” Petitioner testified she applied for numerous SER programs, however, she only wanted to pursue a hearing concerning her eligibility for furnace purchase. Based on Petitioner’s testimony, the analysis will evaluate only Petitioner’s SER for furnace purchase.

MDHHS presented a State Emergency Relief Decision Notice (Exhibit 1, pp. 1-2) dated [REDACTED]. The notice verified MDHHS technically approved Petitioner SER application for a furnace purchase. MDHHS determined Petitioner was eligible to receive \$1,728.82 towards the cost of a furnace, subject to payment of \$2,121.18 by Petitioner. The notice also stated that the copayment was due to an income/asset copayment.

[MDHHS is to] verify and count all non-excluded assets of State Emergency Relief (SER) group members for all SER services with every application. ERM 205 (October 2015), p. 1. [MDHHS is to] count only available assets when determining SER eligibility. *Id.*

The SER group must use countable cash assets to assist in resolving their emergency. *Id.* The protected cash asset limit is \$50. *Id.* [MDHHS is to] exclude the first \$50 of an SER group’s cash assets. *Id.*

MDHHS presented an SER asset budget (Exhibit 1, p. 6). The budget verified MDHHS counted Petitioner’s assets to be \$2,171.18. After MDHHS excluded \$50 of the assets, Petitioner was left with a \$2,121.18 copayment. MDHHS testimony indicated Petitioner’s assets were budgeted based on May 2015 bank information (presumably, the last time when Petitioner verified her assets with MDHHS).

Petitioner contended that MDHHS used outdated information for her assets. MDHHS testimony conceded Petitioner listed on her SER application having only \$80 in assets. MDHHS should

Clients must be informed of all verifications that are required and where to return verifications. ERM 103 (October 2015), p. 6. The due date is eight calendar days beginning with the date of application. *Id.* [MDHHS is to] use the DHS-3503, SER

Verification Checklist, to request verification and to notify the client of the due date for returning the verifications. *Id.*

After Petitioner applied for SER, MDHHS should have requested verification of Petitioner's assets. MDHHS conceded no verification request was made.

It cannot be stated with certainty that Petitioner is eligible for full payment of a furnace purchase. It can be found that MDHHS improperly determined Petitioner's SER eligibility by failing to request verification of Petitioner's most recently reported assets. MDHHS will be ordered to reprocess Petitioner's SER eligibility. The application must be reprocessed in accordance with Petitioner's circumstances at the time of application.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS improperly denied Petitioner's SER application. It is ordered that MDHHS begin to perform the following actions within 10 days of the date of mailing of this decision:

- (1) Re-register Petitioner's SER application dated [REDACTED]; and
- (2) Process Petitioner's SER application subject to the finding that MDHHS failed to request verification of Petitioner's assets reported on her SER application.

The actions taken by MDHHS are **REVERSED**.

CG/hw



Christian Gardocki

Administrative Law Judge

for Nick Lyon, Director

Department of Health and Human Services

NOTICE OF APPEAL: A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Order if the request is received by MAHS within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088; 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

DHHS

[REDACTED]

[REDACTED]

Petitioner

[REDACTED]