



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED]

Date Mailed: December 19, 2016  
MAHS Docket No.: 16-015772  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Eric J. Feldman**

### **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 December 1, 2016, from Detroit, Michigan. The Petitioner was represented by [REDACTED] ([REDACTED]). The Department of Health and Human Services (Department) was represented by [REDACTED], Hearings Facilitator.

### **ISSUE**

Did the Department properly deny Petitioner's State Emergency Relief (SER) application with relocation services, energy services, and utility services dated September 22, 2016?

### **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 September 22, 2016, Petitioner applied for SER assistance for rent to relocate, security deposit, non-heat electricity, cooking gas, heat – natural gas/wood/other, and deposit/reconnect fees. Exhibit A, p. 4.
2. On September 22, 2016, the Department sent Petitioner an SER Verification Checklist (SER verification) requested proof of required payments for shelter and need for SER relocation. Exhibit A, pp. 7-8. The verifications were due back by September 29, 2016. Exhibit A, pp. 7-8.

3. On September 28, 2016, the Department received verification of Petitioner's need for SER relocation, but indicated that it did not receive verification of her requested proof of request payments for shelter. See Exhibit A, p. 12.
4. Petitioner submitted the requested verifications before the due date. Exhibit 1, p. 1.
5. On September 30, 2016, the Department sent Petitioner a SER Decision Notice notifying her that the SER application was denied for rent to relocate, security deposit, non-heat electricity, cooking gas, heat – natural gas/wood/other, and deposit/reconnect fees. Exhibit A, pp. 4-6.
6. On October 17, 2016, Petitioner filed a hearing request, protesting the Department's action. Exhibit A, p. 2.

### **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.

#### **Preliminary matter**

In this case, Petitioner applied for three different types of SER services, which were as follows: (i) relocation services (rent to relocate and security deposit); (ii) energy services (non-heat electricity and heat – natural gas/wood/other); and (iii) utility services (cooking gas and deposit/reconnect fees). Exhibit A, p. 4. The undersigned Administrative Law Judge (ALJ) will address each SER service below:

#### **Relocation services**

State Emergency Relief (SER) assists individuals and families to resolve or prevent homelessness by providing money for rent, security deposits, and moving expenses. ERM 303 (October 2015), p. 1.

In this case, Petitioner applied for SER assistance for relocation services. Specifically, Petitioner applied for SER assistance with rent to relocate in the amount of [REDACTED] and security deposit in the amount of [REDACTED]0. Exhibit A, p. 4.

In response to the application, the Department needed additional verifications to process the SER eligibility. On September 22, 2016, the Department sent Petitioner an SER verification requesting proof of required payments for shelter and need for SER relocation. Exhibit A, pp. 7-8. The verifications were due back by September 29, 2016. Exhibit A, pp. 7-8.

On September 28, 2016, the Department testified that it received verification of Petitioner's need for SER relocation, but indicated that it did not receive verification of her requested proof of request payments for shelter by the due date. As such, the Department denied Petitioner's SER application for relocation services (rent to relocate and security deposit) because verification of required payments for shelter was not returned and her group does not meet program requirements. Exhibit A, pp. 4-5.

In response, Petitioner claimed that she submitted the requested verifications by the due date. In fact, Petitioner provided a fax cover page dated September 28, 2016, to show that she submitted the requested verifications by September 29, 2016. Exhibit 1, p. 1. Petitioner testified that she already submitted the documents before faxing them on September 28, 2016.

Based on the foregoing information and evidence, the Department improperly denied Petitioner's SER application for relocation services (rent to relocate and security deposit) in accordance with Department policy.

First, policy states that the Department uses the DHS-3503, SER Verification Checklist, to request verification and to notify the client of the due date for returning the verifications. ERM 103 (October 2015) p. 6. The due date is eight calendar days beginning with the date of application. ERM 103, p. 6. However, the Department failed to provide Petitioner with the eight calendar days to return the verifications. In this case, the SER verification was generated on September 22, 2016, with a due date of September 29, 2016. Exhibit A, p. 7. The Department only provided Petitioner with seven calendar days to return the verification, not eight, as required per policy. As such, the undersigned ALJ finds that the Department improperly denied Petitioner's SER application for relocation services in accordance with Department policy. See ERM 103, p. 6.

Second, the undersigned ALJ finds Petitioner's testimony credible that she submitted the verifications by the due date. To support her argument that she submitted the verifications timely, she provided a copy of the fax cover page sent to the Department on September 28, 2016. Exhibit 1, p. 1. The undersigned ALJ finds that this documentation bolsters Petitioner's credibility that she submitted the verifications timely. Accordingly, the undersigned ALJ finds that Petitioner submitted the verifications by the due date; and therefore, the Department improperly denied her SER application for relocations services in accordance with Department policy. See ERM 103, p. 6.

### **Energy services**

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 2015), p. 1. When the group's heat or electric service for their current residence is in past due status, in threat of shutoff or is already shut off and must be restored, payment may be authorized to the enrolled provider. ERM 301, p. 2

In this case, Petitioner applied for SER assistance for energy services. Specifically, Petitioner applied for SER assistance with non-heat electricity in the amount of [REDACTED] and heat – natural gas/wood/other in the amount of [REDACTED] Exhibit A, p. 4. On September 30, 2016, the Department denied Petitioner's request for the energy services because the bill is not connected to her current address. Exhibit A, p. 5. However, undersigned ALJ will not further address this specific denial reason because Petitioner's application for energy services did not occur during the SER crisis season. 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. Petitioner applied on September 22, 2016, which did not occur during the crisis season. Even though this denial reason was not specifically stated in the SER Decision Notice, policy states that she is not eligible because the application for energy services did not occur during the SER crisis season. Accordingly, the Department properly denied Petitioner's SER application for energy services (non-heat electricity and heat – natural gas/wood/other) in accordance with Department policy. See ERM 301, p. 1.

### **Utility services**

SER helps to restore or prevent shut off of a utility service specified in ERM 302 when service is necessary to prevent serious harm to SER group members. ERM 302 (October 2013), p. 1.

The following are covered utility services:

- Payment of an arrearage to maintain or restore service for the following utilities: water, sewer or cooking gas. The payment must restore or continue service for at least 30 days at the current residence. However, payments for current charges are not allowed.
- A deposit (including membership fees and lease/rental payments for an on-site storage tank) required by the utility provider to begin, maintain, or restore one of the following services currently or previously the responsibility of the SER group: water, sewer and cooking fuel. Fees for connection, reconnection, or hookup of utility services.

ERM 302, p. 1. The bill does not have to be in the client's name but it must be connected to the group's current address. ERM 302, p. 1. If the bill, including old or

transferred balances, must be paid to start or maintain service at the current or new address, payment may be authorized up to the fiscal year cap as long as the payment resolves the emergency. ERM 302, p. 1.

In this case, Petitioner applied for SER assistance for utility services. Specifically, Petitioner applied for SER assistance for cooking gas in the amount of [REDACTED] and deposit/reconnect fees in the amount of [REDACTED] Exhibit A, p. 4. However, the Department found Petitioner not eligible for the utility services because the bill is not connected to her current address and/or the bill includes non-residential and/or business usage and the utility company cannot identify your share. Exhibit A, p. 5.

At the hearing, Petitioner argued and/or asserted the following: (i) she was attempting to transfer her utility bills to a new address in order to start or maintain her services; (ii) she was no longer residing at her previous address; (iii) she currently lives in a camper in front of her mother's home and is not trying to get utility services connected at her mother's address; (iv) the utility services are in her name (except electricity, it is in her father's name); and (v) she is now attempting to find a new address and have the utility bills paid to start and/or maintain service. See Exhibit A, p. 3 (Case Comments – Summary).

Based on the foregoing information and evidence, the Department failed to satisfy its burden of showing that it properly denied Petitioner's SER application for utility services in accordance with Department policy. As stated above, policy states that the bill must be connected to the group's current address. ERM 302, p. 1. If the bill, including old or transferred balances, must be paid to start or maintain service at the current or new address, payment may be authorized up to the fiscal year cap as long as the payment resolves the emergency. ERM 302, p. 1. In this case, Petitioner credibly established that she was attempting to transfer her utility bills to a new address in order to start or maintain her services. The Department failed to rebut Petitioner's assertion that she was attempting to transfer her utility bills to a new address. Accordingly, the Department failed to satisfy its burden of showing that it properly denied Petitioner's SER application for utility services (cooking gas and deposit/reconnect fees) in accordance with Department policy. See ERM 302, p. 1.

In summary, the undersigned ALJ is not concluding that Petitioner is eligible for SER assistance with relocation and utility services, but that the Department must reprocess the SER application for these two services in order to determine eligibility.

### **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 (i) the Department did not act in accordance with Department policy when it improperly denied Petitioner's SER application for relocation services (rent to relocate and security deposit); (ii) the Department acted in accordance with Department policy when it properly denied

Petitioner's SER application for energy services (non-heat electricity and heat – natural gas/wood/other); and (iii) the Department failed to satisfy its burden of showing that it properly denied Petitioner's SER application for utility services (cooking gas and deposit/reconnect fees).

Accordingly, the Department's SER decision **AFFIRMED IN PART** with respect to SER energy and **REVERSED IN PART** with respect to relocation services and utility services.

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. Initiate re-registration and reprocessing of Petitioner's SER application for relocation services (rent to relocate and security deposit) and utility services (cooking gas and deposit/reconnect fees) dated September 22, 2016, in accordance with Department policy and as the circumstances existed at the time of application;
2. Issue supplements to Petitioner for any SER benefits for relocation services and utility services that she was eligible to receive but did not from the date of application; and
3. Notify Petitioner of the SER decision for relocation services and utility services.

EF/tm



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**Eric J. Feldman**

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]  
[REDACTED]  
[REDACTED]

[REDACTED]

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

CC: [REDACTED]  
[REDACTED]