



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: April 26, 2016  
MAHS Docket No.: 16-003310  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris**

### **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 April 25, 2016, from Detroit, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by [REDACTED] Family Independence Specialist.

### **ISSUE**

Did the Department properly deny the Petitioner's application for State Emergency Relief (SER) home repair and utility assistance?

### **FINDINGS OF FACT**

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. The Petitioner applied for SER for utility assistance and home plumbing repairs on January 28, 2016. The Department denied the Petitioner's application for both utility assistance and home repair due to the Petitioner's failure to pay her co-pay for utility arrearage shortfall and denied the home repair due to the housing not being affordable. Exhibit 3.
2. The Petitioner, at the time of her application for SER, advised the Department in the application that she had no income.
3. The Petitioner requested a timely hearing on February 19, 2016.

## 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.

In this case, the Department denied the Petitioner's application for SER due to housing affordability and due to the failure of the Petitioner to make her copayment shortfall for the water and sewage utility bill assistance. Exhibit 3. In order to receive SER assistance, the applicant must meet financial eligibility requirements. ERM 101 (March 1, 2013), p. 1. At the hearing, it was determined that Petitioner has an adult relative living in her house; and if she re-applies, she must list that individual as a group household member. See ERM 201.

Adults and dependent children who normally live together are in the same SER group. See ERG Glossary for a definition of dependent. ERM 201 (October 1, 2016), p. 1.

The Petitioner was required to pay a utility shortfall of \$ [REDACTED] before the Department would authorize assistance with payment of the arrearage. The Petitioner did not pay or meet the shortfall payment. Exhibit 3.

ERM 302 provides:

The SER group has to pay the minimum monthly amounts for water, sewer and/or cooking gas for the last six months. See the Payment Limits chart below. The required payment period is always the six-month period prior to the month the SER group applies. If required payments of the requested service were not met, determine if good cause for non-payment exists. Unmet required payments are also referred to as a shortfall. See ERM 204, Client Caused Emergencies and ERM 103, Application Procedures.

SER cannot be used to make required payments.

Shortfall payments cannot be waived.

Use the DHS-1419, Decision Notice, each time a utility services payment is approved, acknowledging that the utility required payment must be met before utility services are again authorized.

Before authorizing the department's portion of the cost of services, verify that the income and asset copayment, shortfall, and contribution have been paid by the client or will be paid by another agency. Approve payment up to the fiscal year cap if it will resolve the emergency and if the provider will maintain or restore service for at least 30 days. Do not authorize any payment that will not resolve the current emergency, even if the payment is within the fiscal year cap. ERM 302, (October 1, 2013), pp. 2, 3.

Because the Petitioner did not pay her copayment amount, the Department correctly denied authorization to pay its contribution and acted in conformance with Department policy.

In addition, at the time of her application, the Petitioner advised the Department that she had no income. As housing affordability is a condition of eligibility for SER, the Department correctly denied the application. Department policy provides:

Housing affordability is a condition of eligibility for State Emergency Relief (SER) and applies only to Relocation Services (ERM 303) and Home Ownership Services and Home Repairs (ERM 304). Housing affordability does not apply to other SER services. ERM 207 (October 1, 2015), p. 1.

Authorize SER for services only if the SER group has sufficient income to meet ongoing housing expenses. An SER group that cannot afford to pay their ongoing housing costs plus any utility obligations will not be able to retain their housing, even if SER is authorized.

Deny SER if the group does not have sufficient income to meet their total housing obligation. The total housing obligation cannot exceed 75 percent of the group's total net countable income. ERM 207, p. 1.

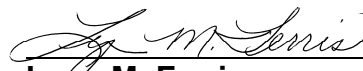
Example: A SER group of 2 adults has no income. Their housing costs \$125 per month, nothing included. Multiply zero income times 75 percent for a total of \$0. The maximum total housing obligation this group can have and be eligible for SER relocation, home ownership or home repair is zero. ERM 207, p. 2.

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 the Petitioner's request for utility assistance payments because the Petitioner did not pay the shortfall amount and properly denied the plumbing repairs as the Petitioner had no income; and thus, the Department correctly determined that Petitioner's housing was not affordable.

**DECISION AND ORDER**

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

LMF/jaf



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**Lynn M. Ferris**  
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]

**Petitioner**

[REDACTED]

**cc:**

[REDACTED]