



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM

SHELLY EDGERTON
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: April 16, 2018
MAHS Docket No.: 18-002291
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; 42 CFR 438.400 to 438.424; 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 9, 2018, from Detroit, Michigan. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by [REDACTED], hearing facilitator.

ISSUES

1. The first issue is whether MDHHS properly denied Petitioner's application for State Emergency Relief (SER).
2. The second issue is whether Petitioner established a basis for a Food Assistance Program (FAP) increase from an allegedly mailed Notice of Case Action.

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 December 8, 2017, MDHHS mailed Petitioner a Notice of Case Action (Exhibit B, pp. 16-20) informing Petitioner of FAP eligibility of \$ [REDACTED] for December 2017 and \$ [REDACTED] beginning January 2018.
2. MDHHS issued FAP benefits of \$ [REDACTED] to Petitioner beginning January 2018.
3. On February 2, 2018, Petitioner applied for SER for energy assistance. Petitioner's application reported at least four different bank accounts belonging to household members.

4. On February 7, 2018, MDHHS mailed Petitioner a SER Verification Checklist (Exhibit A, pp. 1-2) requesting current bank statements for the accounts reported by Petitioner on her SER application. The due date to return verifications was February 14, 2018.
5. On February 14, 2018, Petitioner submitted to MDHHS letters from the credit union holding the four accounts at issue (Exhibit A, pp. 5-9). The letters included no account balance information.
6. On February 15, 2018, MDHHS mailed Petitioner a State Emergency Relief Decision Notice (Exhibit A, pp. 10-11) informing Petitioner of a denial of SER based on a failure to verify assets.
7. On March 1, 2018, Petitioner requested a hearing to dispute a denial of SER. Petitioner also requested a hearing alleging that MDHHS failed to issue FAP benefits to her as indicated in an unspecified written notice.

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 the Department (formerly known as the Department of Human Services) pursuant to MCL 400.10 and Mich Admin Code, R 400.7001-.7049. MDHHS policies for State Emergency Relief are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), Reference Tables Manual (RFT), and Emergency Relief Manual (ERM).

Petitioner's hearing request, in part, disputed a denial of SER for energy service. MDHHS presented a State Emergency Relief Decision Notice (Exhibit A, pp. 10-11) dated February 15, 2018. The notice stated that Petitioner's SER application was denied due to Petitioner's alleged failures to verify multiple bank account information.

[MDHHS is to] [v]erify 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. Count only available assets when determining SER eligibility. *Id.* Consider an asset totally available unless it is claimed and verified that a portion of the asset's value belongs to another individual. *Id.*

The SER group must use countable cash assets to assist in resolving their emergency. *Id.* The protected cash asset limit is \$50. *Id.* Exclude the first \$50 of an SER group's cash assets. *Id.* Examples of cash assets include... [a]mounts on deposit in banks, savings and loan associations, credit unions and other financial institutions. *Id.*, p. 2.

[MDHHS is to] [v]erify the ownership and equity value of all non-excluded assets. *Id.*, p. 6. Use the DHS-3503, SER Verification Checklist, to request verification and to notify the client of the due date for returning the verifications. ERM 103 (January 2018) p. 7.

The case record must include documentation for any delay in processing the application beyond the standard of promptness.

- Do not use the standard of promptness as a basis for denial of SER applications.
- Continue to pend an application if the SER group is cooperating within their ability to provide verifications.
- Deny the application if the group does not cooperate. (*Id.*, p. 6).

MDHHS presented a SER Verification Checklist (Exhibit A, pp. 1-2) dated February 7, 2018. A due date of February 14, 2018, for return of a current bank statement for four persons of Petitioner's household was stated. The checklist appeared to comply with all procedural requirements.

Petitioner returned letters from a credit union (Exhibit A, pp. 5-8) to MDHHS on February 14, 2018. The letters returned by Petitioner listed account numbers, open dates, and the type of account for all accounts that MDHHS requested information. The letters did not include any account balances.

MDHHS requested Petitioner's account statements to verify account balances. Petitioner appeared aware of the purpose based on her testimony that she asked the credit union for letters providing balances but the request was denied.

Petitioner also testified that she submitted bank account balance information to MDHHS on March 7, 2018. Petitioner's submission several weeks after the checklist due date and application denial has no effect on whether MDHHS denied her application.

Given the circumstances, MDHHS reasonably interpreted Petitioner's failure to timely return verification of account balances as a failure to cooperate. Thus, it is found that MDHHS' denial of Petitioner's SER application was proper.

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011. MDHHS policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner also requested a hearing to dispute FAP eligibility. Petitioner's written hearing request stated, in part, "a received notice of action the I [sic] would be getting a [sic] increase on my food stamp [and I] never received that increase". Petitioner's statement appears to allege that MDHHS sent Petitioner a notice of a FAP benefit increase but MDHHS failed to process an increase.

Petitioner did not bring the alleged written notice she stated that resulted in a FAP benefit increase. Petitioner's failure to bring the document at the core of her hearing request is troublesome for Petitioner's claim.

MDHHS presented various documents (Exhibit B, pp. 1-21) concerning Petitioner's recent FAP history. The documents included a narrative of Petitioner's FAP history since October 25, 2017 (Exhibit B, p. 2), Petitioner's FAP issuances since January 2017 (Exhibit B, pp. 4-7), Petitioner's FAP budget from December 2017 (Exhibit B, pp. 8-11), and a Notice of Case Action (Exhibit B, pp. 16-20) dated December 8, 2017. The MDHHS representative contended that the presented documents verify Petitioner received precisely the issuances to which she was entitled.

The Notice of Case Action dated December 8, 2017, informed Petitioner of an issuance of \$█ beginning January 2018. Petitioner's FAP issuance history verified she received monthly issuances of \$█ since January 2018.

The evidence revealed no notice from MDHHS notifying Petitioner of FAP benefits that she did not receive. Thus, Petitioner's hearing request will be dismissed concerning FAP benefits as there was no claim substantiated by the evidence.

Petitioner testified that she also requested a hearing to dispute an alleged failure by MDHHS to process a reported increase in rent. Petitioner's hearing request referenced a request for a FAP increase, but that was in the context of applying for SER. Petitioner's hearing request made no mention of a rent increase. Though Petitioner clearly checked a dispute of FAP benefits, her written statement of dispute concerned notice of an increase she allegedly did not receive. If Petitioner intended to dispute an alleged failure by MDHHS to factor a reported rent increase, Petitioner's intentions were too vague to infer from her written request. Due to Petitioner's failure to provide sufficient written notice of her claim concerning an allegedly unprocessed rent increase, the issue will not be addressed. If Petitioner still believes that MDHHS failed to process a reported rent increase, Petitioner is encouraged to request a hearing for that issue.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that Petitioner failed to establish a claim for increased FAP benefits. Petitioner's hearing request dated March 1, 2018, is **PARTIALLY DISMISSED**.

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly denied Petitioner's SER application dated February 2, 2018, requesting energy services. The actions taken by MDHHS are **AFFIRMED**.

CG/



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]
[REDACTED]
[REDACTED]

[REDACTED]
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