



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

Date Mailed: August 7, 2018  
MAHS Docket No.: 18-005170  
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 July 25, 2018, from Detroit, Michigan. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Rechela Hall, specialist.

**ISSUES**

The first issue is whether MDHHS processed Petitioner's State Emergency relief (SER) eligibility concerning a water shut-off and relocation.

The second issue is whether MDHHS properly determined Petitioner's SER eligibility concerning heat and electric services.

**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 March 13, 2018, Petitioner applied for SER. Requested programs included energy, water, and relocation. Petitioner's past due amount on energy services was \$ [REDACTED]. At the time, Petitioner was a member of a five-person SER group which included two adult children.
2. On March 16, 2018, Petitioner's adult daughter had a combined savings and checking balance of \$ [REDACTED] (Exhibit A, pp. 10-13)

3. On April 13, 2018, Petitioner's adult daughter had a combined savings and checking balance of \$ [REDACTED] (Exhibit A, pp. 10-13)
4. As of Petitioner's SER application date, Petitioner's self-employment income and income from two children totaled \$ [REDACTED]
5. On May 3, 2018, MDHHS denied Petitioner's energy SER due to an asset and/or income copayment.
6. As of the hearing date, MDHHS had not yet processed Petitioner's SER request for water or relocation.

### **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 are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), Reference Tables Manual (RFT), and Emergency Relief Manual (ERM).

Petitioner requested a hearing, in part, to dispute MDHHS' failure to process SER requests for water and relocation. During the hearing, MDHHS checked Petitioner's SER application and acknowledged that Petitioner sought assistance for water arrearage and relocation. MDHHS testimony further acknowledged that Petitioner's requests were never processed.

The SER standard of promptness is 10 calendar days, beginning with the date the signed SER application is received in the local office. The case record must include documentation for any delay in processing the application beyond the standard of promptness. ERM 103 (January 2018), p. 3.

As of the hearing date, four months had passed since Petitioner applied for SER and MDHHS has still not processed two of Petitioner's three SER requests. MDHHS will be ordered to process Petitioner's SER requests for water and relocation in compliance with their policy.

Petitioner also requested a hearing to dispute a determination of SER concerning energy services. A State Emergency Relief Decision Notice verified that MDHHS denied Petitioner's application due to a combined income and asset copayment. A presented SER budget calculated an income copayment of \$ [REDACTED]

There are no income copayments for SER energy services. With respect to income, clients are either eligible or they are not. For a group to be eligible for energy services, the combined monthly net income that is received or expected to be received by all

group members in the 30-day countable income period, cannot exceed the standard for SER energy/LIHEAP services for the number of group members. If the income exceeds the limit, the request must be denied; see SER Income Need Standards for Energy Services at the end of this item. (ERM 208 (October 2017), p. 1.)

MDHHS budgeted Petitioner's monthly self-employment income as \$ [REDACTED] MDHHS also factored the gross earned income from Petitioner's two children as \$ [REDACTED] Petitioner testimony acknowledged that all factored income was correct.

The SER energy/LIHEAP standard for a five-person group is \$3,597. Petitioner's group's income is below the LIHEAP standard. Thus, Petitioner is not barred from SER services due to income.

MDHHS' calculation of an income copayment concerning energy services appears perfectly contradictory with policy. MDHHS will not be ordered to recalculate Petitioner's SER eligibility because of Petitioner's SER ineligibility due to excess assets.

The SER group must use countable cash assets to assist in resolving their emergency. The protected cash asset limit is \$50. Exclude the first \$50 of an SER group's cash assets. The amount in excess of the protected cash asset limit is deducted from the cost of resolving the emergency and is called the asset copayment.

MDHHS presented Petitioner's child's savings and checking statements from March 16, 2018, through April 13, 2018 (Exhibit A, pp. 110-13). Petitioner's child's combined balance as of March 16, 2018, exceeded \$2,000. Petitioner's combined balance as of April 13, 2018, exceeded \$2,000. Whether MDHHS looks to the starting or ending statement balance still results in assets of \$2,000. As Petitioner's adult child is a SER group member, the child's assets are countable for purposes of Petitioner's SER eligibility.

For purposes of this decision, Petitioner's group assets will be accepted as \$2,000. Applying a \$50 exclusion results in an income copayment of \$1,950. Petitioner's total amount requested for energy was \$ [REDACTED] Because Petitioner's asset copayment exceeds the amount of SER requested, Petitioner is not entitled to SER. Thus, it is found that MDHHS properly denied Petitioner's SER.

### **DECISION AND ORDER**

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly denied Petitioner's SER request for energy services. Concerning Petitioner's SER application for energy services dated March 13, 2018, the actions taken by MDHHS are **AFFIRMED**.

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS improperly failed to process Petitioner's application for SER

concerning water and relocation. It is ordered that MDHHS begin to perform the following actions within 10 days of the date of mailing of this decision:

- (1) Register Petitioner's SER requests for relocation and water dated March 13, 2018;
- (2) Initiate processing of Petitioner's SER application in accordance with SER standards of promptness.

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

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**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) 763-0155; 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**

Randa Chenault  
MDHHS-Oakland-3-Hearings

**Petitioner**

[REDACTED]  
[REDACTED]  
[REDACTED] MI [REDACTED]

BSC4  
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