



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

[REDACTED]
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[REDACTED] MI [REDACTED]

Date Mailed: February 26, 2019
MAHS Docket No.: 18-012848
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Amanda M. T. Marler

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 February 21, 2019, from Detroit, Michigan. The Petitioner was self-represented. The Department of Health and Human Services (Department) was represented by Amber Gibson, Hearings Facilitator.

ISSUE

Did the Department properly deny Petitioner's State Emergency Relief (SER) application for assistance with a security deposit?

FINDINGS OF FACT

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

1. Petitioner is a recipient of Retirement, Survivors and Disability Insurance (RSDI) benefits in the amount of \$[REDACTED] per month.
2. Petitioner receives a pension benefit each month totaling \$[REDACTED]
3. The Department asserts that Petitioner receives child support payments each month; Petitioner disputes receipt of child support income as of November 2018 because her grandson turned [REDACTED] years of age.
4. As of November 5, 2018, Petitioner had a balance in her bank account of \$[REDACTED]

5. On November 8, 2018, Petitioner paid her new landlord \$[REDACTED] for the security deposit at the new apartment.
6. On November 21, 2018, Petitioner submitted a SER application for assistance with a security deposit totaling \$[REDACTED] for a household which includes herself and her grandson.
7. On the same day, an interview was held during which Petitioner requested assistance with a security deposit of \$[REDACTED] and first-month's rent of \$[REDACTED]
8. On November 26, 2018, the Department issued a SER Decision Notice informing Petitioner that her application had been denied because her income/asset copayment was equal to or greater than the amount needed to resolve the emergency.
9. On November 29, 2018, the Department received Petitioner's request for hearing disputing the Department's assertion that her income does not exceed the amount she needed to move to a new residence.

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, Petitioner's application for SER assistance with her security deposit and first month's rent was denied because her income/asset copayment was greater than her need.

SER assists individuals and families to resolve or prevent homelessness by providing money for rent, security deposits, and moving expenses. ERM 303 (October 2018), p. 1. The issuance of a SER benefit must resolve the emergency. *Id.* The maximum payment for relocation services for a SER group size of one is \$410.00 and for a group size of two is \$520.00 per issuance. ERM 303, p. 7. SER groups are required to use their available income and cash assets to help resolve the emergency. ERM 208 (October 2018), p. 1.

Asset copayments are created when the client has cash assets greater than \$50.00. Any amount of cash assets greater than \$50.00 must be used to help resolve the

emergency. *Id.* Based upon the bank statement relied upon by the Department, Petitioner had cash assets less than \$50.00; therefore, she was not responsible for an asset copayment.

Income copayments are equal to the total combined monthly net income that is received or expected to be received by all group members in the 30-day countable income period if the income does not exceed the standards found in the SER Income Need Standards for Non-Energy Services. *Id.* The 30-day countable income period and 30-day authorization period begins the day that the Department receives an application. ERM 206 (February 2017), p. 1; ERM 401 (October 2018), p. 2. Countable income is verified gross income that the group expects to receive in the countable income period. *Id.* Income that is more than the basic monthly need standard must be deducted from the cost of resolving the emergency; this is the income copayment. *Id.* The SER Income Need Standard for Non-Energy Services for a group size of one is \$445.00 and for a group size of two is \$500.00. ERM 208, p. 6. Petitioner has a gross RSDI benefit of \$[REDACTED] and a gross pension benefit of \$[REDACTED]. In addition, the Department asserts that Petitioner has child support income which Petitioner disputes. In support of its position, the Department provided records shared with it from the Office of Child Support. The records show that Petitioner was receiving child support income from both the mother and father of Petitioner's grandson prior to her application but not after her application. Since SER policy provides that countable income is income received within the 30 days after application beginning on the date of application, Petitioner has \$0.00 in child support income because the records do not show income received during the 30-day countable income period. Therefore, Petitioner's total income for the countable income period is \$[REDACTED] (dropping the cents). Since the need standard is \$500.00, Petitioner's income copayment is \$[REDACTED].

The income and asset copayments are combined to equal the total copayment. ERM 208, p. 2. This amount represents the client's required payment toward resolving the emergency. *Id.* As Petitioner had no asset copayment, her total copayment is \$[REDACTED].

While Petitioner requested assistance with her security deposit of \$[REDACTED] and first-month's rent of \$[REDACTED] in her interview, Petitioner provided proof to the Department of payment of the security deposit, which was completed prior to Petitioner's application. Since the payment was made outside of the 30-day authorization period, the payment cannot be considered as part of Petitioner's copayment. ERM 208, p. 2. Effectively, Petitioner's payment of the security deposit removed her emergency need for the security deposit pursuant to policy. Therefore, Petitioner's total need is \$[REDACTED] for the first month's rent. Petitioner's copayment of \$[REDACTED] is significantly greater than her need. Since the need is greater than the amount she is required to pay as a copayment, Petitioner is not eligible for SER assistance.

During the hearing, Petitioner raised concerns about how quickly her application was processed and denied and believed that she could not have had a fair review since it

was denied so quickly. The Department is required to process all SER cases within 10 calendar days. ERM 103 (October 2018), p. 5. Therefore, because of the short time frame required for processing cases, some cases are done more quickly than others to ensure that the Department complies with timeliness standards for all programs.

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 Petitioner's application for SER assistance.

DECISION AND ORDER

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

AMTM/jaf



Amanda M. T. Marler
Administrative Law Judge
for Robert Gordon, 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

Amber Gibson
MDHHS-Ingham-Hearings

Petitioner

[REDACTED]
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