RICK SNYDER GOVERNOR

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

SHELLY EDGERTON



Date Mailed: March 7, 2018 MAHS Docket No.: 18-000195

Agency No.: Petitioner:

**ADMINISTRATIVE LAW JUDGE: Ellen McLemore** 

# **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 March 1, 2018, from Detroit, Michigan. Petitioner was present and represented herself. The Department of Health and Human Services (Department) was represented by John Brady, Assistance Payments Worker, and Crystal Cusic-Spencer, Assistance Payments Supervisor.

### **ISSUE**

Did the Department properly determine Petitioner's State Emergency Relief (SER) eligibility?

#### **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 2017, Petitioner submitted an application for SER benefits for rent to prevent eviction (Exhibit A). Petitioner requested \$1,109 in funds.
- 2. In the first application, Petitioner indicated her household consisted of herself and her son.
- 3. On October 23, 2017, the Department sent Petitioner a State Emergency Relief Decision Notice informing Petitioner that her application for SER benefits was approved but that she was subject to a \$941 copay.

- 4. On execution, 2017, Petitioner submitted a second request for SER benefits for rent to prevent eviction (Exhibit B).
- 5. In the second application, Petitioner indicated her household consisted her herself, her son and her daughter.
- 6. On October 24, 2017, the Department sent Petitioner a State Emergency Relief Decision Notice informing her that her application for SER benefits was approved but that she was subject to a \$816 copayment (Exhibit D).
- 7. On January 5, 2017, Petitioner submitted a request for hearing disputing the Department's actions.

#### **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 submitted a request for SER benefits for rent to prevent eviction on 2017. In the first application, Petitioner indicated that her household consisted of herself and her son. Petitioner requested \$1,109 in funds. On the same date, the Department issued a decision approving Petitioner's request for benefits but that she was subject to a copay of \$941. Petitioner was dissatisfied with the decision and submitted a second request for SER benefits for funds to prevent eviction but included herself, her son and her daughter in the household. The Department issued a decision on October 24, 2017, approving Petitioner's application for SER benefits with a copay of \$816. Petitioner requested a hearing disputing her copay amount.

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. SER group members must use their available income and cash assets that will help resolve the emergency. ERM 208 (February 2017), p. 1. The total copayment is the amount the SER group must pay toward their emergency. ERM 208, p. 2. Copayment amounts are deducted from the cost of resolving the emergency. ERM 208, p. 2. In most cases cash assets in excess of \$50 result in an asset copayment. ERM 208, p. 1. Income that is more than the basic monthly income need standard for the number of group members must be deducted from the cost of resolving the emergency. This is the income copayment. ERM 208, p. 1. The income and asset copayments combined together determine the SER group's total copayment.

ERM 208, p. 2. ERM 208, p. 1. When processing an application, if the copayment, shortfall, contribution or combination exceeds the need, the application shall be denied. ERM 103 (February 2017), p. 4.

The Department did not provide any explanation as to how Petitioner's copay amounts were calculated. The Department did not present any evidence as to Petitioner's assets and/or income. Therefore, the Department failed to establish that it properly determined Petitioner's SER 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 the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it determined Petitioner's SER benefit eligibility.

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

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. Reinstate and reprocess Petitioner's SER application;
- 2. If Petitioner is eligible for SER benefits, issue benefits she is entitled to receive; and
- 3. Notify Petitioner of its SER decision in writing.

EM/cg

Ellen McLemore

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

Via Email: MDHHS-Oakland-2-Hearings

MDHHS-Recoupment-Herings

T. Bair

E. Holzhausen

**BSC4-Hearing Decisions** 

MAHS

Petitioner – Via First-Class Mail:

