



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR



Date Mailed: June 7, 2018
MAHS Docket No.: 18-003918
Agency No.: [REDACTED]
Petitioner: [REDACTED]

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 June 6, 2018, from Detroit, Michigan. Petitioner was present and represented herself. The Department of Health and Human Services (Department) was represented by Eric Murphy, Eligibility Specialist.

ISSUE

Did the Department properly deny Petitioner's State Emergency Relief (SER) application?

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 [REDACTED], 2018, Petitioner submitted an application for SER benefits to replace her furnace.
2. Petitioner received monthly Retirement, Survivors and Disability Insurance (RSDI) benefits in the gross amount of \$1,538, as well as a \$204 monthly pension payment. Petitioner's total net income between the two sources of income was \$1,707.13.
3. On March 21, 2018, the Department sent Petitioner a State Emergency Relief Decision Notice informing her that her application for SER benefits was denied (Exhibit B).

4. On April 5, 2018, 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 an application for SER benefits on [REDACTED], 2018. Petitioner requested \$4,345 in funds to replace her furnace. On March 21, 2018, the Department sent Petitioner a State Emergency Relief Decision Notice informing her that her application for SER benefits had been denied.

SER group members must use their available income and cash assets that will help resolve the emergency. ERM 208 (October 2017), p. 1. There are no income copayments for SER energy services. ERM 208, p. 1. With respect to income, clients are either eligible or they are not. ERM 208, p. 1. 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. ERM 208, p. 1. If the income exceeds the limit, the request must be denied. ERM 208, p. 1. The SER income need standard for energy/LIHEAP services for a group size of one is \$1,507. ERM 208, p. 6. Repair or replacement of a non-functioning furnace is currently the only allowable energy-related home repair. ERM 304 (October 2017), p. 2.

The Department testified that Petitioner received \$1,538 per month in gross RSDI benefits and \$204 in a monthly pension payment. RSDI and pension payments are both considered to be unearned income. ERM 206 (February 2017), pp. 1-2. Net unearned income must be determined by deducting all of the following from the gross amount received: (i) mandatory withholding taxes; (ii) court ordered child support paid, including arrears, but not more than the amount ordered by the court. No deduction is made for paid, voluntary child support; (iii) payments for health insurance; and (iii) Medicare premiums that will not be reimbursed. ERM 206, p. 5. Petitioner's net unearned income was \$1707.13.

Petitioner was the only member of her household. As furnace replacements are energy-related home repairs, Petitioner's net income cannot exceed \$1,507. Petitioner's net


income exceeded the income limit for energy/LIHEAP services. Therefore, Petitioner is not eligible for SER benefits to replace her furnace.

The Department testified that Petitioner was also not eligible for Emergency Services (ES) funding. In the majority of cases, SER is sufficient to resolve threats to health and safety. ERM 209 (October 2017), p. 1. However, due to the nature of emergencies and variations in SER group circumstances, unusual situations may exist which cannot be resolved through SER. ERM 209, p. 1. ES funds are allocated to each local office to provide assistance when SER will not cover the requested service or the SER payment will not resolve the emergency. ERM 209, p. 1. Services not covered by ES funds includes payment for energy services, including furnace repair or replacement. ERM 209, p. 2. Therefore, the Department properly determined Petitioner was also not eligible for ES funds. Thus, the Department acted in accordance with policy when it denied Petitioner's SER application.

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 acted in accordance with Department policy when it denied Petitioner's application for SER benefits. Accordingly, the Department's decision is **AFFIRMED**.

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) 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

Via Email:

MDHHS-Wayne-41-Hearings
T. Blair
E. Holzhausen
BSC4- Hearing Decisions
MAHS

Petitioner – Via First-Class Mail:

