RICK SNYDER GOVERNOR State of Michigan DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN ADMINISTRATIVE HEARING SYSTEM

SHELLY EDGERTON DIRECTOR



Date Mailed: December 14, 2018 MAHS Docket No.: 18-010924 Agency No.: Petitioner:

## ADMINISTRATIVE LAW JUDGE: Jacquelyn A. McClinton

#### **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 December 12, 2018, from Detroit, Michigan. Petitioner represented herself. The Department of Health and Human Services (Department) was represented by **Exercise 1**, Hearing Facilitator.

#### ISSUE

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

## 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 October 3, 2018, Petitioner submitted an application for SER benefits seeking assistance with electricity and natural gas.
- 2. At the time of the application, Petitioner indicated that four of her grandchildren resided in her home.
- 3. During an October 12, 2018 telephone interview, Petitioner disclosed that one additional grandchild resided in her home.
- 4. On September 19, 2018, Petitioner's grandson, not listed in her home, submitted an application for benefits and indicated that he lived in Petitioner's home and further indicated that Petitioner's husband also resided in the home.

- 5. The Department determined it was unable to determine the household group size, it denied her application for SER benefits on October 12, 2018.
- 6. On October 18, 2018, Petitioner filed 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 Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Department of Human Services) administers FIP pursuant to 45 CFR 233-260, MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3101-.3131.

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.

#### <u>FIP</u>

The Department indicated that FIP benefits have been reinstated with no loss of benefits. Petitioner confirmed and indicated that she wished to withdraw her request pertaining to FIP only. The Department did not object to the withdrawal. As such, Petitioner's request for withdrawal is GRANTED.

## <u>SER</u>

In this case, Petitioner submitted an application for SER for assistance with electricity and natural gas. The Department testified that Petitioner indicated that she had five individuals in her household, including her. During the October 12, 2018 telephone interview, Petitioner corrected her household group from five to six. The Department further testified that Petitioner's grandson submitted an application indicated that he lived in the home with Petitioner and her husband. Further, the Department indicated that it was later discovered that approximately four other relatives have claimed to reside in the home.

Petitioner testified that she has a household size of six. Petitioner indicated that the grandson who submitted the application had recently been released from incarceration, he resided at the home for only a few days and then left. Petitioner indicated that her husband has lived in **Exercise** for the past two years.

The Department indicated that it did not send a Verification Checklist to Petitioner or her grandson in an effort to correct the discrepancy. Under the Department's policy, the Department is required to give the client a reasonable opportunity to resolve any discrepancy between her statements and information from another source before determining eligibility. BAM 130 (April 2017), p. 9. The Department acknowledged that it could have referred the matter to the Office of Inspector General for a fee investigation in an effort to determine who resided in the home. Because the Department did not take any steps to verify the group size, it is found that it improperly denied Petitioner's application for SER benefits.

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 did not act in accordance with Department policy when it denied Petitioner's October 3, 2018 application for SER benefits.

# DECISION AND ORDER

Petitioner's request to withdraw her hearing request relating to FIP benefits is **GRANTED** and hereby **DISMISSED**.

The Department's decision to deny Petitioner's October 3, 2018 SER application 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. Redetermine Petitioner's eligibility for SER benefits; and
- 2. Notify Petitioner of its decision in writing.

JAM/tlf

Jacquelyn A. McClinton 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:

Petitioner – Via First-Class Mail: