



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED]

Date Mailed: December 14, 2018  
MAHS Docket No.: 18-011692  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**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 [REDACTED] Eligibility Specialist.

**ISSUE**

Did the Department properly failed to release the State Emergency Relief (SER) funds due to lack of proof of copayment?

Did the Department properly determine that Petitioner was eligible for Food Assistance Program (FAP) in the amount of [REDACTED] per month effective November 1, 2018?

**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 August 22, 2018, Petitioner submitted an application for SER benefits seeking assistance with heat, non-heat electricity and water/sewage.
2. On October 19, 2018, the Department sent Petitioner a SER Decision Notice which indicated that her total copayment was [REDACTED].
3. Petitioner was required to make the total copayment before it would release a total payment in the amount of [REDACTED]
4. Petitioner failed to provide proof of copayment.

5. The Department did not release payment for SER assistance.
6. Petitioner is an ongoing recipient of FAP benefits.
7. On October 17, 2018, Petitioner submitted her paystubs to the Department.
8. The Department redetermined Petitioner's eligibility for FAP benefits and on October 19, 2018, it sent Petitioner a Notice of Case Action which notified Petitioner that she was eligible for FAP benefits in the amount of [REDACTED] per month effective November 1, 2018.
9. On October 30, 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 Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act, 42 USC 1396-1396w-5; 42 USC 1315; the Affordable Care Act of 2010, the collective term for the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152; and 42 CFR 430.10-.25. The Department (formerly known as the Department of Human Services) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

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.

### **MA**

At the start of the hearing, Petitioner confirmed that her MA benefits had been reinstated and as such there was no issue for the undersigned to resolve relating to MA benefits. Petitioner requested to withdraw her Request for Hearing as it relates to MA benefits only. The Department did not object to Petitioner's request to withdraw. As

such, Petitioner's request to withdraw her hearing request as it relates to MA benefits only is **GRANTED**.

### **SER**

In this case, Petitioner applied for SER benefits on August 22, 2018. Petitioner was required to make a copayment in the amount of [REDACTED] before the Department would issue the balance of the remaining payment. The Department testified that it did not release the payment because although, Petitioner paid the water and sewage copayment, she failed to pay the non-heat electricity copayment.

Petitioner testified that she paid the total co-payment. However, Petitioner was unable to provide any proof of payment for the non-heat electricity copayment. Further, Petitioner testified that another organization assisted with the payment and therefore the emergency no longer exists.

### **FAP**

On October 17, 2018, Petitioner submitted paystubs to the Department. The Department indicated that as a result of the paystubs, it redetermined Petitioner's eligibility. The paystubs submitted by Petitioner revealed that she earned [REDACTED] every two weeks. To determine Petitioner's monthly budgeted income, the Department divides her bi-weekly income by 2 and then multiplies by 2.15. BEM 505 (October 2017), p. 6. When this calculation is performed, Petitioner's budgeted income is [REDACTED]. The Department also indicated that Petitioner received child support in the amount of [REDACTED] per month.

The Department presented a budget in support of its assertion that Petitioner is entitled to [REDACTED] per month in FAP benefits. Petitioner is entitled to an earned income deduction of 20%. (BEM 550), p. 1. Once the earned income deduction of [REDACTED] and the child support payment are deducted from Petitioner's income, her post earned income deduction income is [REDACTED]. Based on Petitioner's circumstances, the group was eligible to receive a standard deduction in the amount of [REDACTED] for a two-person group size. RFT 255, (October 2018), p. 1. Petitioner confirmed that she pays [REDACTED] per month in rent and has a heat and electric expense. As such, Petitioner was entitled to a heat and utility standard of [REDACTED]. *Id.* Based upon Petitioner's housing expense, the group was entitled to receive an excess shelter deduction of [REDACTED]. Once the standard deduction and shelter deduction are subtracted from group's income, the net income is [REDACTED].

On October 19, 2018, the Department sent Petitioner a Notice of Case Action, which notified her that her FAP benefits would decrease to [REDACTED] per month effective November 1, 2018. Accordingly, based upon a net income of [REDACTED] and a group size of two, the Department properly determined that Petitioner's group was entitled to a FAP benefit amount of [REDACTED] per month. RFT 260 (October 2017), p. 21.

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 failed to release the SER payment due to lack of proof of copayment and further it is found that the Department properly determined that Petitioner was eligible for FAP benefits in the amount of [REDACTED] per month effective November 1, 2018.

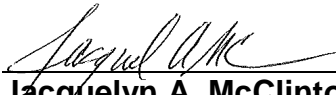
### **DECISION AND ORDER**

Petitioner's request to withdraw her Request for Hearing relating to MA benefits is **GRANTED** and that issue is **DISMISSED**.

The Department's decision not to release payment relating to Petitioner's August 22, 2018 SER application is **AFFIRMED**.

The Department's determination that Petitioner was eligible for [REDACTED] in FAP benefits effective November 1, 2018 is **AFFIRMED**.

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:**

[REDACTED]

**Petitioner – Via First-Class Mail:**

[REDACTED]