GRETCHEN WHITMER GOVERNOR STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES SUZANNE SONNEBORN EXECUTIVE DIRECTOR

MARLON I. BROWN, DPA DIRECTOR



Date Mailed: March 26, 2024	
MOAHR Doc <u>ket No.: 24</u> -001231	
Agency No <u>.:</u>	
Petitioner:	

ADMINISTRATIVE LAW JUDGE: Caralyce M. Lassner

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 hearing was held by telephone on March 18, 2024. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Avery Smith, Assistance Payments Supervisor.

<u>ISSUE</u>

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

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 2024, Petitioner applied for SER assistance online through MiBridges for payment of her electric bill in the amount of \$450. (Exhibit B, pp. 1 6).
- 2. The application disclosed Petitioner and **Constant (**TW) as the two members of Petitioner's household, employment income of TW in the amount of **\$ and the per** month, and self-employment income of TW in the amount of **\$ and the per** month. (Exhibit B, pp. 2, 4).
- 3. On January 16, 2024, Petitioner also submitted proof of employment income for TW, as a home healthcare provider, in the amount of \$ from December 2023, payable by the second second

- 4. On January 17, 2024, the Department sent Petitioner a Verification Checklist (VCL) requesting recent business receipts, accounting or other business records, or a recent income tax return for TW, and a Self-Employment Income and Expense Statement form for TW to complete. Verifications were due to the Department by January 24, 2024. (Exhibit A, pp. 7 9; Exhibit B, p. 2).
- 5. On January 25, 2024, the Department sent Petitioner a State Emergency Relief Decision Notice (SER Notice) denying assistance due to failure to return verification of self-employment for TW. (Exhibit A, pp. 10 14).
- 6. On February 7, 2024, the Department received Petitioner's request for hearing in which Petitioner disputed the Department's determination and alleging that the requested verification documents had been submitted. (Exhibit A, pp. 3 6).

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.

Petitioner was denied SER assistance for payment of her electric bill and disputes the Department determination. (Exhibit A, pp. 3 - 6; Exhibit B, pp. 1 - 6). The Department denied Petitioner's SER application because it did not receive self-employment verification documents it had requested and that were due on January 24, 2024. (Exhibit A, pp. 7, 10 - 14).

Petitioner applied for SER on 2024, for assistance to pay her electric bill. (Exhibit B, pp. 1 – 6). The SER program provides assistance to applicants to secure or maintain safe, decent, affordable housing and other essential needs when an emergency situation arises. ERM 101 (March 2023), p. 1. SER assists individuals with overall housing issues, avoiding interruption of utilities due to shut off notices, non-energy home repairs, other housing-related emergencies, and burial expenses. See ERM 100 (October 2023), p. 1 – 3; ERM 209 (October 2023), pp. 1 – 5. SER assistance related to an individual's heat and electricity are considered energy services. ERM 301 (January 2024), p. 1.

As part of the application process, the Department must verify and budget all nonexcluded gross income that is expected to be received during the countable income period. ERM 206 (October 2023), p. 1. The countable income period is the 30-day period starting on the day the Department receives the signed SER application. ERM 206, p. 1. Earned income may be verified through paystubs, written statements of the employer, accounting or other business records for self-employed persons, or other means. ERM 206, p. 7. Additionally, for SER assistance with energy services, income verification used in the current eligibility determination for any other Department program may be used if available; however, if that information is not available, income must be verified. ERM 206, p. 6. Verifications for SER assistance is due eight (8) calendar days after the VCL is mailed to the client. ERM 103 (October 2023), p. 6.

On her application, Petitioner reported employment income of \$ per month for TW and self-employment income of "Other" in the amount of \$ with \$326.30 in expenses, per month for TW. No other income was reported. (Exhibit B, p. 4). The Department testified that it received proof of TW's employment income on January 16, 2024. However, the Department did not receive proof of TW's self-employment income at that time and therefore, the Department sent a VCL to Petitioner on January 17, 2024, requesting proof of TW's self-employment income, with a due date of January 24, 2024, and included a Self-Employment Income and Expense Statement form. (Exhibit A, pp. 7 – 9).

Petitioner testified that she did not return a completed Self-Employment Income and Expense Statement form to the Department because TW was not self-employed. She did not allege that she notified the Department that TW was not self-employed or otherwise ask for assistance. She further testified that TW's only sources of income are employment income, paid by worker, and Social Security. While Petitioner's testimony was found to be credible, Petitioner completed the application for SER assistance and, in doing so, was responsible for answering all questions truthfully and completely. ERM 102 (October 2020), p. 1. Here, because Petitioner reported in the application that TW had self-employment income, the Department properly requested verification. Petitioner was responsible for providing verifications to the Department and notifying the Department of any issue she was experiencing in providing the requested verifications. ERM 102, p. 1; ERM 103, p. 6.

Petitioner also testified that proof of TW's social security income was provided to the Department on February 15, 2024, while the Department confirmed that it received verification of TW's Social Security income on March 13, 2024. Notwithstanding the conflicting dates, both dates were past the deadline set by the Department on the VCL, and the Department had already denied Petitioner's SER application per the January 25, 2024 SER Notice.

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 **Department**, 2024 SER application on January 25, 2024, for failure to return requested income verification.

DECISION AND ORDER

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

CML/pt

Caralyce M. Lassner Administrative Law Judge

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 Office of Administrative Hearings and Rules (MOAHR).

A party may request a rehearing or reconsideration of this Order if the request is received by MOAHR 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. MOAHR will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MOAHR. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MOAHR Rehearing/Reconsideration Request.

If submitted by mail, the written request must be addressed as follows:

Michigan Office of Administrative Hearings and Rules Reconsideration/Rehearing Request P.O. Box 30639 Lansing, Michigan 48909-8139

Via-Electronic Mail:

DHHS Yaita Turner Oakland County Southfield Disctrict III 25620 W. 8 Mile Rd Southfield, MI 48033 MDHHS-Oakland-6303-Hearings@michigan.gov

Interested Parties BSC4 J McLaughlin E Holzhausen MOAHR

Via-First Class Mail:

Petitioner

