



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

[REDACTED]  
MI [REDACTED]

Date Mailed: April 23, 2024  
MOAHR Docket No.: 24-002876  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Julia Norton**

### **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 April 17, 2024. Petitioner appeared and was self-represented. The Department of Health and Human Services (Department) was represented by Tom Jones, Assistance Payment Supervisor.

### **ISSUE**

Did the Department properly close Petitioner's Food Assistance Program (FAP) case?

Did the Department properly calculate Petitioner's State Emergency Relief (SER) copayment?

### **FINDINGS OF FACT**

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. Petitioner was an ongoing recipient of FAP benefits.
2. On [REDACTED] 2024, Petitioner applied for SER benefits for rent to prevent eviction.
3. Petitioner is a SER group size of one.
4. On February 23, 2024, the Department issued a Notice of Case Action to Petitioner indicating that FAP benefits would close effective April 1, 2024 due to Petitioner's failure to verify self-employment expenses and self-employment payments. Exhibit A, pp. 7-10.

5. On February 26, 2024, the Department issued a SER verification checklist (VCL) with a due date of March 4, 2024. The VCL requested verification of Petitioner's checking account, need for SER relocation, and IRA. Exhibit A, pp. 5-6.
6. On March 5, 2024, Petitioner submitted a hearing request regarding the SER rental assistance and FAP benefits. Exhibit A, pp. 3-4.
7. On March 20, 2024, the Department issued a Quick Note to Petitioner requesting that she submit 30 days of income verification from [REDACTED] Exhibit A, p. 14.
8. On March 20, 2024, the Department issued a SER Decision Notice to Petitioner providing that the Department would pay \$410.00 upon Petitioner's payment of \$10,200.00 by March 15, 2024, for a total of \$10,610.00, for the dates February 15, 2024 to March 15, 2024. Exhibit A, pp. 11-13.

### **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).

#### **FAP**

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.

In this case, Petitioner disputed the Department's action closing Petitioner's FAP case effective April 1, 2024 for failing to verify self-employment.

Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (October 2023), p. 1. To request verification of information, the Department sends a verification checklist (VCL) which tells the client what verification is required, how to obtain it, and the due date. BAM 130, p. 3. For FAP cases, the Department allows the client 10 calendar days (or other time limit specified in policy) to provide the verification that is required. BAM 130, p. 7. Verifications are considered to be timely if received by the date they are due. BAM 130, p. 7. The Department sends a negative action notice when: the client indicates a refusal to provide a verification OR the time period given has elapsed and the client has not made a reasonable effort to provide it. BAM 130, p. 7.

The Department testified that it issued the Notice of Case Action closing Petitioner's FAP benefit case for failing to return verification without issuing a VCL to Petitioner requesting employment income information. The evidence showed that the Department sent a Quick Note on March 20, 2024 requesting verification of Petitioner's employment with Edu Staff only after it had sent out the Notice of Case Action and after Petitioner had requested a hearing. The Department did not act in accordance with Department policy when it prematurely closed Petitioner's FAP case.

## **SER**

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 disputed the copayment amount in the SER Decision Notice.

SER assists individuals and families to resolve or prevent homelessness by providing money for rent, security deposits, and moving expenses. ERM 303 (October 2022), p. 1. SER group members must use their available income and cash assets that will help resolve the emergency. ERM 208 (October 2023), 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. If the Department does not cover the full cost of the service, the client will have a copayment identified on the SER Decision, which will inform the SER group of the amount the SER group must pay and the due date for returning proof of payment to the Department. ERM 208, p. 5. If the SER group has a copayment, shortfall, or contribution, the Department cannot issue payment until the client provides proof that payment has been made or will be made by another agency. ERM 208, pp. 3, 5. Department policy states that verification of payment must be received in the Department office within the 30-day eligibility period or no SER payment will be made. ERM 208, p. 5.

Here, Petitioner applied for SER benefits in the amount of \$10,610.00 on [REDACTED] 2024, requesting assistance for rent to avoid eviction. The maximum relocation benefit available to Petitioner, a group size of one, is \$410. ERM 100 (October 2023), p. 4; ERM 303 (October 2022), pp. 5, 7. The Department issued a SER Decision Notice, indicating Petitioner is responsible for copayment of \$10,200.00 and the Department would pay \$410.00. The Department testified that the copayment equals the amount requested in the SER application (\$10,610.00) minus the maximum benefit the SER program provides for the group size (\$410.00), leaving Petitioner with a copayment of \$10,200.00. Because the Department was limited to providing assistance to Petitioner in the amount of \$410.00, the Department acted in accordance with policy when it required that Petitioner pay for any amounts due in excess of \$410.00 before the Department paid the provider \$410.00. The Department acted in accordance with Department policy when it determined Petitioner's 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 FAP benefits and that the Department did act in accordance with Department policy when it determined Petitioner's SER benefits.

**DECISION AND ORDER**

Accordingly, the Department's decision is **REVERSED IN PART** with respect to FAP benefits and **AFFIRMED IN PART** with respect to SER benefits.

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 Petitioner's FAP case as of April 1, 2024.
2. If Petitioner is eligible for benefits, issue Petitioner supplemental FAP benefit payments for April 1, 2024 ongoing.
3. Notify Petitioner of its decision in writing.



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**Julia Norton**  
Administrative Law Judge

JN/ml

**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 District III

25620 W. 8 Mile Rd

Southfield, MI 48033

**MDHHS-Oakland-6303-Hearings@michigan.gov**

**Interested Parties**

BSC4

M Holden

B Cabanaw

N Denson-Sogbaka

J McLaughlin

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**Via First Class Mail:**

**Petitioner**

[REDACTED]  
MI [REDACTED]