



Date Mailed: March 13, 2025

Docket No.: 25-005103

Case No.:

Petitioner:

«RECIP_FULL_NAME»

«RECIP_ADD0»

«RECIP_ADD1»

«RECIP_ADD2»

«RECIP_CITY», «RECIP_SPCODE»

«RECIP_POSTAL»

This is an important legal document. Please have someone translate the document.

هذه وثيقة قانونية مهمة. يرجى أن يكون هناك شخص ما يترجم المستند.

এটি একটি গুরুত্বপূর্ণ আইনি ডকুমেন্ট। দয়া করে কেউ দস্তাবেজ অনুবাদ করুন।

Este es un documento legal importante. Por favor, que alguien traduzca el documento.

这是一份重要的法律文件。请让别人翻译文件。

Ky është një dokument ligjor i rëndësishëm. Ju lutem, kini dikë ta përktheni dokumentin.

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; 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 via telephone conference on March 5, 2025. Petitioner appeared for the hearing and represented herself. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Tiffany Flemings, Assistance Payments Worker.

ISSUE

Did the Department properly process Petitioner's Food Assistance Program (FAP) and Medical Assistance (MA) benefits?

Did the Department properly deny Petitioner's request for State Emergency Relief (SER) assistance with furnace repair/replacement?

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 is an ongoing recipient of FAP and MA benefits.

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2. On or around [REDACTED] 2025, Petitioner submitted an application requesting SER assistance with a furnace repair/replacement.
 3. Petitioner's household includes herself, her husband, and two minor children.
 4. Petitioner's husband is employed and earns income biweekly. Petitioner and her two children each receive unearned income from Retirement Survivors Disability Insurance (RSDI or Social Security) monthly. (Exhibit A, pp. 8-22)
 5. On or around January 17, 2025, the Department sent Petitioner a State Emergency Relief Decision Notice, advising her that her request for SER assistance with furnace repair/replacement was denied because the countable income is higher than the maximum amount allowed for the program. (Exhibit A, pp. 40-44)
 6. On or around January 27, 2025, Petitioner requested a hearing disputing the Department's actions with respect to the FAP, MA, and SER programs. (Exhibit A, pp. 3-5)
 7. At the commencement of the hearing, Petitioner testified that she no longer wants to proceed with the hearing regarding the FAP or MA programs. Petitioner confirmed that there is no issue left to be resolved for the FAP and MA programs and confirmed that no promises were made in exchange for her withdrawal. The Department did not object to the withdrawal. The hearing request with respect to the FAP and MA programs was withdrawn and will be dismissed.

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 disputed the denial of her [REDACTED] 2025, application for SER assistance with furnace repair/replacement.

SER assists with home repairs to correct unsafe conditions and restore essential services. ERM 304 (October 2024), p. 1. The Low-Income Home Energy Assistance Program (LIHEAP) is the funding source for energy-related repairs. Repair or replacement of a non-functioning furnace is currently the only allowable energy-related

home repair. The lifetime maximum for energy-related home repairs is \$4,000. ERM 304, pp.2-3. The eligibility requirements for home ownership services including energy related home furnace repairs/replacement are outlined in ERM 304, at pp. 1-8.

SER group members must use their available income and cash assets that will help resolve the emergency. ERM 208 (October 2024), p. 1. The Department will determine SER eligibility for the group as a whole and is to verify income, assets, and potential resources of all group members. An SER group consists of persons who occupy the same home. Home means the place where the members of the SER group keep their personal belongings and sleep. Adults and dependent children who normally live together are in the same SER group. ERM 201 (October 2023), pp.1-3.

The Department is to verify and budget all non-excluded income the SER group expects to receive during the 30-day countable income period. The Department will not prorate income. ERM 206 (October 2023), pp. 1-7. The first day of the 30-day countable income period is the date the local office receives a signed application. There is no income copayment for energy related services and the group is either eligible or not. 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 LIHEAP income limit based on group size. If the income exceeds the limit, the request must be denied. The SER income need standard for energy/LIHEAP services for Petitioner's household size of four is \$3,900.ERM 208, pp. 1-6.

To determine net unearned income such as RSDI or Social Security, the Department will deduct all of the following from the gross income received: mandatory withholding taxes; court ordered child support paid, including arrears; payments for health insurance; and Medicare premiums that will not be reimbursed. To determine net income from employment or self-employment for SER purposes, the Department must deduct certain expenses of employment from the gross amount received, which can include but are not limited to, mandatory withholding taxes (25% of the gross), deductions required by the employer as a condition of employment, and deductions for health insurance. Additional earned income deductions are outlined in ERM 206, at pp. 5-7. The Department is to verify all non-excluded income, expenses, and deductions. ERM 206, pp. 1-7.

At the hearing, the Department representative testified that Petitioner's application for SER assistance with furnace repair was denied because the household's income exceeded the income limit. The Department could not identify the income limit applicable to Petitioner's group size. It is noted that based on the above referenced policy and Petitioner's testimony during the hearing, Petitioner has a household size of four which includes herself, her husband, and two minor children. Thus, the income limit is \$3,900. The Department representative testified that in determining the household income, it considered gross income from employment received by Petitioner's husband in the 30 days prior to the application, specifically, [REDACTED] received on December 6, 2024, and [REDACTED] received on December 20, 2024. The Department failed to

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consider the correct income, as the income relied upon by the Department was not within the 30-day countable income period. Additionally, for SER purposes, the Department is to consider net earned income, which the Department failed to do in this case. There was no evidence that the Department took into consideration any of the applicable deductions to earned income outlined above. The Department testified that it also considered gross unearned income from RSDI/Social Security for Petitioner of [REDACTED] and [REDACTED] for each of Petitioner's two children. While the SOLQs presented show gross RSDI in the amounts identified by the Department, Petitioner's SOLQ also references a "net monthly benefit if payable" amount of [REDACTED]. The reduced RSDI amount on the SOLQ was unexplained. There was also no evidence that the Department considered net income after applicable deductions for health insurance or Medicare premiums, if any.

Upon review, the Department failed to establish that it properly calculated Petitioner's household income, and thus, failed to show that Petitioner's household had excess income and was ineligible for SER assistance with furnace repair.


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 did not act in accordance with Department policy when it denied Petitioner's [REDACTED] 2025, application for SER assistance with furnace repair.

Accordingly, the hearing request with respect to FAP and MA is **DISMISSED** and the Department's SER decision 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. Register and reprocess Petitioner's [REDACTED] 2025, SER application to determine the household's eligibility for SER from the application date, ongoing;
2. Supplement Petitioner and/or her SER provider for any SER benefits that she was eligible to receive but did not from the application date, ongoing; and
3. Notify Petitioner in writing of its decision.


ZAINAB BAYDOUN
ADMINISTRATIVE LAW JUDGE

APPEAL RIGHTS: Petitioner may appeal this Hearing Decision to the circuit court. Rules for appeals to the circuit court can be found in the Michigan Court Rules (MCR), including MCR 7.101 to MCR 7.123, available at the Michigan Courts website at courts.michigan.gov. The Michigan Office of Administrative Hearings and Rules (MOAHR) cannot provide legal advice, but assistance may be available through the State Bar of Michigan at <https://lrs.michbar.org> or Michigan Legal Help at <https://michiganlegalhelp.org>. A copy of the circuit court appeal should be sent to MOAHR. A circuit court appeal may result in a reversal of the Hearing Decision.

Either party who disagrees with this Hearing Decision may also send a written request for a rehearing and/or reconsideration to MOAHR within 30 days of the mailing date of this Hearing Decision. The request should include Petitioner's name, the docket number from page 1 of this Hearing Decision, an explanation of the specific reasons for the request, and any documents supporting the request. The request should be sent to MOAHR

- by email to MOAHR-BSD-Support@michigan.gov, **OR**
- by fax at (517) 763-0155, **OR**
- by mail addressed to
Michigan Office of Administrative Hearings and Rules
Rehearing/Reconsideration Request
P.O. Box 30639
Lansing Michigan 48909-8139

Documents sent via email are not secure and can be faxed or mailed to avoid any potential risks. Requests MOAHR receives more than 30 days from the mailing date of this Hearing Decision may be considered untimely and dismissed.

Via Electronic Mail:

Respondent

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Interested Parties

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Via First Class Mail:

Petitioner

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