



Date Mailed: February 9, 2026

Docket No.: 25-048299

Case No.: [REDACTED]

Petitioner: [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

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

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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.

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Case No.: [REDACTED]

Petitioner: [REDACTED] [REDACTED]

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 February 5, 2026. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Lutrina Webster, Eligibility Specialist.

ISSUE

Did the Department properly determine Petitioner's eligibility 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. Petitioner is employed by [REDACTED] (Employer 1) and [REDACTED] [REDACTED] (Employer 2) and is paid biweekly. Exhibit A, p. 12.
2. Petitioner resides with her two minor children, [REDACTED], [REDACTED] years old ([REDACTED] and [REDACTED], [REDACTED] years old ([REDACTED] Exhibit A, p. 9.
3. [REDACTED] and [REDACTED] receive Supplemental Security Income (SSI) of \$[REDACTED] each per month.
4. [REDACTED] and [REDACTED] receive State SSI Payments (SSP) of \$[REDACTED] each per quarter.
5. Petitioner's niece, [REDACTED] [REDACTED] ([REDACTED] provides daycare for [REDACTED] and [REDACTED]
6. Petitioner pays [REDACTED] \$[REDACTED] per month for daycare services.
7. On November [REDACTED] 2025, the Department received Petitioner's application for SER assistance with her heat and electricity. Exhibit A, pp. 8-14.
8. On December [REDACTED] 2025, the Department sent Petitioner a SER Decision Notice (SERDN) that informed Petitioner her SER application was denied because her

countable income is higher than the maximum amount allowed for the program. Exhibit A, pp. 15-17.

9. On December 5, 2025, the Department received Petitioner's request for hearing disputing the denial of her SER application. Exhibit A, pp. 4-6.

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.

In this case, Petitioner disputed the Department's determination of her countable income for purposes of program eligibility.

Low-income households who meet all SER eligibility requirements may receive assistance to help them with household heat and electric costs. ERM 301 (May 2025), p. 1. An energy crisis includes situations in which an individual or household has a past due account or shutoff notice on an energy bill for his or her household. When the group's heat or electric service for their current residence is in past due status, in threat of shutoff or is already shutoff and must be restored, payment may be authorized to the enrolled provider. ERM 301, p. 4. Effective October 1, 2024, the Department pays up to \$500.00 per fiscal year for heat and \$500.00 per year for non-heat electricity. ERM 301 (October 2024), p. 11.

As an initial matter, the SER group's income must not exceed the income eligibility limit for SER energy services. With respect to income, clients are either eligible or they are not. For a group to be eligible for energy and water/sewer 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 for SER energy/LIHEAP and water/sewer services for the number of group members. If the income exceeds the limit, the request must be denied. ERM 208 (October 2025), p. 1 (emphasis added). Effective October 1, 2025, the income limit for a group size of three was \$3,331.00 per month. ERM 208, p. 6.

When determining a SER group's income, the SER budget computation period is 30 days. This is referred to as the countable income period. The first day of the countable income period is the date the local office receives a signed application for SER. ERM

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206 (October 2025), p. 1. The Department is to verify and budget all non-excluded gross income the SER group *expects to receive* during the countable income period. ERM 206, p. 1 (emphasis added). The Department budgets unearned income, such as SSI and SSP, and earned income, such as wages from employment. ERM 206, pp. 1-3.

Net income from employment must be determined by deducting allowable expenses of employment from the gross amount received. ERM 206, p. 5. Expenses from employment are limited to the following: mandatory withholding taxes (25 percent of the gross for employment and 50 percent for self-employment and room and board); deductions required by employer as a condition of employment; deductions for health insurance; court-ordered child support paid, including arrears; the cost of dependent care for either of the following: a dependent child who is less than 13 years old or a person who is 13 years old or older who needs care due to a mental or physical impairment. ERM 206, p. 5. The Department deducts the unsubsidized cost of care or \$200.00, whichever is less, for each qualifying individual. ERM 206, p. 5. The Department does not deduct the cost of child care if the caregiver is any of the following persons: a member of the SER group; a responsible relative of the employed person or of the person who needs care; a dependent relative of the employed person; a person who is not a member of the SER group, if the care can be provided reasonably and safely by one of the following persons living in the home: a member of the SER group; a responsible relative of the employed person or the person who needs care; a dependent relative of the employed person. Responsible relatives are spouse for spouse or parents for children and stepchildren under age 18. ERM 306 (January 2026), p. 5.

Here, the Department testified that Petitioner's monthly gross earned income from employment was \$██████████. This amount was based on 30 days of paychecks from Employer 1 and Employer 2 prior to the date of application, specifically October 26, 2025 to November 24, 2025. The Department considered Petitioner's prior biweekly paychecks in determining the anticipated income she would expect to receive during the countable income period of November 24, 2025 to December 23, 2025. However, the countable income period includes school holiday breaks where Employer 1 was closed and, as a substitute teacher, Petitioner would not have income on those days. Thus, the Department did not establish that it correctly determined the gross income the SER group expects to receive during the countable income period.

Next, net income from employment must be determined by deducting allowable expenses of employment from the gross amount received. Allowable expenses include, but are not limited to, mandatory withholding taxes (25 percent of the gross for employment), any deductions required by an employer as a condition of employment and the cost of dependent care for a dependent child(ren) who is less than 13 years old.

Based on the SER budget (Exhibit A, pp. 23-24), the Department allowed a 25 percent deduction for mandatory tax withholding. However, no deductions were allowed for deductions required by an employer or dependent care.

Petitioner testified, and her Employer 1 paychecks reflect (Exhibit B, pp. 1-2), that she has deductions required by Employer 1 for pension contributions and a personal health fund. No evidence was presented that the Department considered these employer-required deductions when it determined her net income from employment.

Petitioner also reported on her application that she pays daycare expenses for her two children, ages ■ and ■ years old, so that Petitioner may work. While there are restrictions on who may provide the daycare services for the cost to be deducted, Petitioner testified that her daycare provider, ■ is not a member of her SER group. ■ is Petitioner's niece and not a responsible relative. No evidence was presented that ■ is a dependent relative of Petitioner or that the care, which is specialized due to Petitioner's children's autism diagnoses, could be provided reasonably and safely by one of the following persons living in the home: a member of the SER group; a responsible relative of the employed person or the person who needs care or a dependent relative of the employed person. The Department did not consider Petitioner's daycare expenses when it determined her net income from employment.

Regarding Petitioner's unearned income, it was not disputed that Petitioner's children receive SSI in the total amount of \$■ per month. The Department budgets the gross amount of SSI monthly payments. ERM 206, p. 1. As recipients of SSI, the children also receive quarterly SSP. The Department budgets the actual amount of the SSP quarterly payment if it is expected to be received in the countable income period. ERM 206, pp. 1-2. Here, the Department budgeted \$84.00, which reflects two \$42.00 quarterly payments. SSP payments are issued in the last month of each quarter. BEM 660 (October 2021), p. 2. Therefore, during the countable income period of November 24, 2025 to December 23, 2025, the SSP quarterly payments would issue to Petitioner and the Department properly included the two quarterly payments totaling \$84.00 in Petitioner's unearned income budget.

Based on the evidence and testimony, the Department did not act in accordance with Department policy when it determined Petitioner's gross earned income and allowable expenses from employment for purposes of SER energy assistance eligibility.

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 determined Petitioner's eligibility for SER assistance.

Accordingly, the Department's 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. Reregister and reprocess Petitioner's November ■■■ 2025 SER application, requesting additional information from Petitioner, if needed;
2. If eligible, issue supplements to Petitioner or Petitioner's energy service provider for any payment that she was eligible to receive but did not from November ■■■ 2025 ongoing; and
3. Notify Petitioner of its decision in writing.



JULIA NORTON
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://irs.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
WAYNE-CONNER-DHHS
4733 CONNER ST
DETROIT, MI 48215
**MDHHS-WAYNE-57-
HEARINGS@MICHIGAN.GOV**



Via First Class Mail:

Petitioner

[REDACTED]
[REDACTED]
[REDACTED]