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**DEPARTMENT  
POLICY**

SER group members must use their available income and cash assets that will help resolve the emergency. Do not authorize a SER payment unless it will resolve the emergency.

**Budget  
Computation**

Bridges determines eligibility or ineligibility for each SER application and service requested. The worker is responsible for verifying information, certifying the eligibility results and authorizing the payment. It is not necessary to place a printed copy of the budget in the case record.

**Asset  
Copayment**

In most cases cash assets in excess of \$50 result in an asset copayment. An asset copay cannot be reduced or waived. See ERM 306, Burials for more information on assets for burials.

**Income  
Copayment**

A group is eligible for non-energy SER services with respect to income if the total combined monthly net income that is received or expected to be received by all group members in the 30-day countable income period does not exceed the standards found in Exhibit I, SER Income Need Standards for Non-Energy Services.

Income that is more than the basic monthly income need standard for the number of group members must be deducted from the cost of resolving the emergency. This is the income copayment.

There are no income copayments for SER energy services. With respect to income, clients are either eligible or they are 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 for SER energy/LIHEAP services for the number of group members. If the income exceeds the limit, the request must be denied; see Exhibit II, SER Income Need Standards for Energy Services.

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## Total Copayment

The income and asset copayments combined together determine the SER group's total copayment.

The total copayment is the amount the SER group must pay toward their emergency. Copayment amounts are deducted from the cost of resolving the emergency.

**Example:** The applicant has a water shutoff for \$100. The asset copayment is \$15 and the income copayment is \$100. Subtract the total \$115 copayment from the \$100 need. SER is denied because the copayment exceeds the need.

**Example:** The applicant has an eviction for \$400. The asset copayment is \$15 and the income copayment is \$100. Subtract the total \$115 copayment from the \$400 need. The available SER payment is then \$285. The \$285 payment may be made once it is verified that the client's \$115 copayment has been paid.

The group is not required to pay the copayment more than once during the 30-day authorization period. If multiple services are requested, the client is only required to pay the copayment on one service. However, the copayment must be paid before any other service is paid.

The client is notified on the DHS-1419, Decision Notice, of their copayment amount and the deadline to return verification that they have paid their copayment. In Bridges, the worker must pseudo-authorize the application in order to establish the deadline date and to issue the DHS-1419. The deadline date is always the last day of the 30-day eligibility period regardless of when the client requests the service. The client must provide verification of their payment by the last day of the 30-day eligibility period.

**Note:** Asset copayments cannot be reduced or waived.

## INCOME COPAYMENT MODIFICATION

First line managers can modify an income copayment for non-energy services. The manager must approve the modification in Bridges. This applies **only** if one of the following circumstances exist:

- The SER group used available income:
  - To meet unusual expenses essential to protect their safety.
  - To secure or maintain employment.
- The provider demands payment in advance, but the income is not available to the SER group until later in the budget period. **(Example:** RSDI is the only source of income and will not be received for three weeks.)

When modifying an income copayment, the copayment may be reduced or waived entirely. The full copayment amount up to the SER need may be paid. Take this alternative when no other alternative exists for meeting the emergency. The SER group may be required to sign a DHS-2157, Repay Agreement, for the income copayment amount; see ERM 210.

**Reminder:** Repay agreements cannot be taken against RSDI/SSI.

### Copayment Corrections

Decrease the income copayment when a member of the SER group notifies the specialist of a shortfall in projected income within the 30-day budget period.

Do not increase an income copayment once a copayment has been determined and the client has been notified of the amount.

### Client Contribution

The SER group must contribute toward the cost of resolving the emergency if SER does not cover the full cost of the service. Other persons or organizations can also contribute funds on behalf of the SER group. Verification that the contribution has been paid must be received before any SER payment can be made. For burial contributions, see ERM 306.

For energy services, any additional payment made by another agency to reduce the balance on the client's total bill to zero should not reduce the SER payment.

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### Required Payments/Shortfall

If an application is made for shelter, heat, electricity or utilities, a determination of required payments must be made. Required payments are determined based on the group size, the group's income and the obligation to pay for the service that existed during each month of the six months prior to application; see ERM 204, ERM 301, ERM 302, ERM 303, ERM 304. If the client failed without good cause to make required payments, a shortfall amount is determined. The client must pay the shortfall amount toward the cost of resolving the emergency. Verification that the shortfall has been paid must be received before any SER payment can be made.

### Prorated Payments

Undocumented aliens are not eligible for SER, **but their presence does not disqualify the group**. Bridges determines how much the ineligible group members must pay to help resolve the emergency. This is called the prorated payment. To determine the prorated payment:

- Count the income and assets of all household members, including the undocumented alien(s).
- Include all household members when determining required payments, affordability and other eligibility requirements.
- The portion of the final SER payment is prorated to remove the undocumented aliens' share. That share is the prorated amount that the group must pay toward the cost of service.

### Notification

If the SER group meets all eligibility criteria but has a copayment, shortfall or contribution, do not issue payment until the client provides proof that their payment has been made or will be made by another agency. Verification of payment must be received in the local office within the 30-day eligibility period or no SER payment will be made. The client will then have to reapply. The DHS-1419, Decision Notice, must be used to inform the SER group of the amounts that they must pay and the due date for returning proof of their payment.

Use the DHS-849, Authorization/Invoice, to notify the vendor and local office fiscal unit of the SER group's copayment and approved services.

Refer to ERM 103, Application Procedures, and the DHS-1419, Decision Notice, regarding timeframes allowed for the client to make their payment when all other eligibility criteria are met.

### Verification

**Before authorizing the department's portion of the cost of services, verify that the copayment, shortfall, and contribution have been paid by the client or will be paid by another agency.** See ERM 306 for burial copayments and contributions.

Avoid creating situations where the department issues a partial payment for services, but the SER group fails to pay the remainder of the payment and the vendor does not provide the service. This can result in loss of the SER payment and no benefit to the SER group.

### Emergency Services (ES) Funds

In some instances, it may be prudent to use ES funds to resolve an emergency. Refer to ERM 209, Emergency Services (ES) Fund for current instructions and allowable uses for ES funds.

### EXHIBIT I - SER INCOME NEED STANDARDS FOR NON-ENERGY SERVICES

NON-ENERGY SERVICES	
SER Group Size	Income Need Standard
1	\$445
2	\$500
3	\$625
4	\$755
5	\$885
6	\$1015
Groups larger than 6 persons: Add \$100 for each additional person.	

**EXHIBIT II - SER  
INCOME NEED  
STANDARDS FOR  
ENERGY/LIHEAP  
SERVICES**

<b>ENERGY/LIHEAP SERVICES Effective 10/01/2015</b>	
<b>Family Size</b>	<b>150% Federal Poverty Level/Month</b>
1	\$1485
2	\$2002
3	\$2520
4	\$3037
5	\$3555
6	\$4072
7	\$4591
8	\$5111
For each additional family member add \$520 per month.	

**LEGAL BASE**

Mich Admin Code, R 400.7001 et seq.

Low-Income Home Energy Assistance Act of 1984; Section 2605(2)(B)