GRETCHEN WHITMER
GOVERNOR

# STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ORLENE HAWKS DIRECTOR



Date Mailed: April 14, 2021 MOAHR Docket No.: 20-007315

Agency No.:

Petitioner:

#### ADMINISTRATIVE LAW JUDGE: Colleen Lack

#### **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 February 23, 2021. Mother and Authorized Hearing Representative (AHR), represented the Petitioner. The Department of Health and Human Services (Department) was represented by Brittany Cheeks, Assistance Payments Worker, and Gloria Thompson, Family Independence Manager.

During the hearing proceeding, the Department's Hearing Summary packet was admitted as Exhibit A, pp. 1-24.

#### **ISSUE**

Did the Department properly deny Petitioner's State Emergency Relief (SER) application for burial 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 passed away on 2020 and his funeral service was July 11, 2020. (Exhibit A, p. 8)
- 2. On 2020, Petitioner's mother applied for SER for burial assistance. (Exhibit A, p. 14)
- 3. A July 7, 2020, Statement of Funeral Goods and Services Selected and Funeral Service Contract shows a Grand Total of \$9,160.30, which was paid by Petitioner's mother and the balance due was \$0.00. (Exhibit A, pp. 8 and 20)

- 4. An October 26, 2020, Hearing Decision reversed the Department's denials of the SER burial assistance application and ordered the Department to: re-register Petitioner's application with a receipt date of 2020 and determine Petitioner's eligibility; and send written notice of the determination. (Exhibit A, pp. 14-18)
- 5. On October 27, 2020, a policy exception was requested for Petitioner's SER application because the worker was unable to process the request. (Exhibit A, pp. 9 and 19)
- 6. On October 28, 2020, central office denied Petitioner's SER application because the total cost for services (\$9,160.30) exceeded the total SER payment allowed (\$725.00) and the contribution maximum of (\$4,000.00). (Exhibit A, pp. 9, 19, and 21)
- 7. On October 29, 2020, a SER Decision Notice was issued stating the request for assistance was denied because the request was deemed not an emergency per amount paid in full and the grand total exceeds the SER policy limit of \$4,000.00. (Exhibit A, pp. 6-7 and 22-23)
- 8. On November 9, 2020 and December 2, 2020, Petitioner's mother filed a hearing request contesting the Department's determination. (Exhibit A, pp. 3-4 and 11-12)

# **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.

Requirements for SER include having an emergency that threatens health or safety and can be resolved through issuance of SER. ERM 101, p. 1, March 1, 2013.

## **Voluntary Contributions**

Friends and relatives may supplement the SER burial payment in any amount up to \$4,000 for additional services. There must be a signed statement from the friend/relative indicating the amount of their contribution. The contribution does not have to be paid prior to the SER payment authorization.

Responsible relatives required to make an income and/or asset copayment can designate \$200 of the copayment for this purpose. Designating reduces the copayment.

**Example:** Mr. Smith passes away. There is a total income of \$500. \$200 is designated as a supplement, reducing the copayment to \$300. The MDHHS burial payment is reduced by \$300. Other friends and relatives could contribute up to \$3,800 for additional services (\$4,000 maximum minus the \$200 designated copayment).

#### Denial

Deny SER if contributions exceed \$4,000 **OR** if the total cost of the burial exceeds the SER maximum payment allowed plus the voluntary contribution.

**Example:** The decedent will be returned to a foreign country for burial. Local funeral director charges total \$2800. Friends and family will also pay air-shipping charges of \$2100. MDHHS payment maximum is \$579. (There are no local cemetery or vault charges.) The total charges are \$4900, which leaves \$4321 as a family contribution. This exceeds the MDHHS maximum allowable, so no SER payment is made.

ERM 306, October 1, 2020, pp. 8-9 (Underline added by ALJ)

Effective October 1, 2020, the SER maximum payments for burial services for a burial with memorial service are \$520.00 payment to funeral director, \$145.00 payment to cemetery or crematory, and \$100.00 payment for vault. Therefore, the total SER maximum payment for burial services for a burial with memorial is \$765.00. ERM 306, October 1, 2020, p. 10.

In this case, Petitioner's mother applied for SER for burial assistance on 2020. (Exhibit A, p. 14) A July 7, 2020, Statement of Funeral Goods and Services Selected and Funeral Service Contract shows a Grand Total of \$9,160.30, which was paid by Petitioner's mother and the balance due was \$0.00. (Exhibit A, pp. 8 and 20)

An October 26, 2020, Hearing Decision reversed the Department's denials of the SER burial assistance application and ordered the Department to: re-register Petitioner's application with a receipt date of 2020 and determine Petitioner's eligibility; and send written notice of the determination. (Exhibit A, pp. 14-18) On October 27, 2020, a policy exception was requested for Petitioner's SER application because the worker was unable to process the request. (Exhibit A, pp. 9 and 19)

On October 28, 2020, central office denied Petitioner's SER application because the total cost for services (\$9,160.30) exceeded the total SER payment allowed (\$725.00<sup>1</sup>) and the contribution maximum of (\$4,000.00). (Exhibit A, pp. 9, 19, and 21) On October 29, 2020, a SER Decision Notice was issued stating the request for assistance was denied because the request was deemed not an emergency per amount paid in full and the grand total exceeds the SER policy limit of \$4,000.00. (Exhibit A, pp. 6-7 and 22-23)

Petitioner's mother explained that her son was obese, therefore, the funeral home charged for one and a half or two funeral services. Petitioner had to have an oversized casket and everything. Petitioner's mother is only requesting the amount the Department allows but was refused. Petitioner's mother does not think that is right. (Mother Testimony) However, the ERM policy does not allow for an exception to be made when there are additional changes for the funeral services in such circumstances.

Under the above cited ERM 306 policy, the Department is to deny when the total cost of the burial exceeds the SER maximum payment allowed plus the voluntary contribution. In this case, that would be when the total cost of the burial exceeds \$4,765.00 (\$765.00 SER maximum payment + \$4,000.00 maximum allowable voluntary contribution). The July 7, 2020, Statement of Funeral Goods and Services Selected and Funeral Service Contract showed the total funeral home charges would be \$9,160.30. (Exhibit A, pp. 8 and 20) Accordingly, the SER application was properly denied because total cost of the burial exceeds the SER maximum payment allowed plus the voluntary contribution.

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 State Emergency Relief (SER) application for burial assistance.

<sup>&</sup>lt;sup>1</sup> It appears this figure was based on the version of ERM 306 that was in effect the month prior to the October 29, 2020 determination. There was an increase to the maximum payment in the version of ERM 306 policy that became effective October 1, 2020.

# **DECISION AND ORDER**

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

CL/ml

Colleen Lack Administrative Law Judge for Elizabeth Hertel, Director Department of Health and Human Services

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**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

#### **DHHS**

Tara Roland 82-17 DHHS Wayne (Dist 17) County DHHS – via electronic mail

BSC4 – via electronic mail

T. Bair – via electronic mail

D. Holzhausen – via electronic mail

#### **Petitioner**

