STATE OF MICHIGAN GRETCHEN WHITMER DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS ORLENE HAWKS GOVERNOR MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES DIRECTOR



Date Mailed: September 29, 2021 MOAHR Docket No.: 21-003463 Agency No.: Petitioner:

ADMINISTRATIVE LAW JUDGE: Zainab A. Baydoun

### **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 September 16, 2021, from Detroit, Michigan. Petitioner appeared for the hearing and represented herself. The Department of Health and Human Services (Department) was represented by Valerie Foley, Hearing Facilitator. Hiyam Ajaj served as Arabic interpreter.

# <u>ISSUE</u>

Did the Department properly process and deny Petitioner's request 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. On or around 2021, Petitioner submitted an application for SER assistance with home repairs. The Department requested that Petitioner submit an estimate of the repair cost.
- 2. On or around July 8, 2021, the Department sent Petitioner a State Emergency Relief Decision Notice informing her that her request for SER assistance with home repairs has been denied because the total of the income/asset copayment, shortfall and contribution is equal to or greater than the amount needed to resolve the emergency. (Exhibit A, pp. 6-8)
- 3. On or around July 19, 2021, Petitioner submitted a request for hearing disputing the Department's denial of her SER application. (Exhibit A, pp. 3-4)

#### 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 2021, application requesting SER assistance with home repairs. Petitioner testified that she applied for SER to repair her hot water tank and heating/cooling units that were damaged as a result of a flood.

SER assists with energy-related and non-energy-related home repairs to correct unsafe conditions and restore essential services. ERM 304 (October 2018), p. 1. The Low-Income Home Energy Assistance Program (LIHEAP) is the funding source for energyrelated repairs. Repair or replacement of a non-functioning furnace is currently the only allowable energy-related home repair. Non-energy-related repairs all home repairs for client owned housing except furnace repair or replacement. Examples of non-energyrelated home repairs include repairs to the basic structure, hot water heater, electrical, plumbing, and roofs, among other covered services. Authorization for payment of nonenergy-related home repairs is only made if essential to remove a direct threat to health or safety or is required by law or a mobile home park regulation. The repair must restore the home to a safe, livable condition and SER does not pay for improvements or not essential repairs. ERM 304, pp. 2-4. At least one estimate of the repair cost must be obtained but more may be requested, depending on the circumstance. The Department will approve the most cost-effective repair and payment will only be issued if the contractor holds a valid license issued by the Bureau of Construction Codes through the Department of Licensing and Regulatory Affairs. ERM 304, p. 5.

SER provides immediate assistance to meet a current emergency. ERM 210 (December 2015), p. 1. The SER Glossary defines emergency as a situation in which immediate action is necessary to prevent serious harm or hardship. ERG Glossary (February 2017), p. 5. Having an emergency which threatens the health or safety of an individual that can be resolved through the issuance of SER is a requirement of receiving assistance. ERM 101 (March 2013), p. 1.

During the hearing, the Department representative initially testified that Petitioner's request for SER assistance was denied because she failed to submit the required estimates documenting the cost of repairs. Later in the hearing, the July 8, 2021, State Emergency Relief Decision Notice was reviewed and showed that Petitioner's SER application was actually denied because the total of the income/asset copayment,

shortfall and contribution is equal to or greater than the amount needed to resolve the emergency. (Exhibit A, pp. 6-8). The Department failed to present an income/asset copayment budget and thus, the amount of the copayment/shortfall/contribution was unknown. Petitioner disputed that her income/asset copayment was greater than the amount needed to resolve her emergency.

Additionally, while Petitioner disputed the Department's testimony that she failed to present a repair estimate, Petitioner's testimony was conflicting, as it was unclear when she submitted the estimates to the Department. Furthermore, Petitioner confirmed that after receiving the July 8, 2021, State Emergency Relief Decision Notice, she borrowed money and had the home repairs completed on July 17, 2021. Petitioner testified that she filed a request for hearing on July 19, 2021, and submitted a receipt showing the cost of repair. Petitioner further confirmed that she had the repair completed herself without SER assistance. Petitioner requested that she be reimbursed for the cost of the repair.

Although the Department failed to establish that the denial of Petitioner's SER application due to an income/asset copayment being greater than the amount needed to resolve the emergency was proper, the evidence established that because the home repair had been completed and reimbursement of services is not covered under SER policy, no SER payment can be made by the Department towards Petitioner's request for assistance. Petitioner resolved her own emergency and had the repairs completed. Upon review, while the denial reason reflected on the State Emergency Relief Decision Notice was incorrect, Petitioner is not eligible for SER assistance with home repairs in connection with her 2021, application because the emergency no longer exists.

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 SER application, as Petitioner is not entitled to reimbursement.

#### **DECISION AND ORDER**

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

Zallab Raydown Zainab A. Baydown

Administrative Law Judge

ZB/jm

**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 Email:

MDHHS-Wayne-19-Hearings BSC4-HearingDecisions T. Bair E. Holzhausen MOAHR

Petitioner – Via First-Class Mail:

