



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: January 13, 2022
MOAHR Docket No.: 21-005009
Agency No.: [REDACTED]
Petitioner: [REDACTED]

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 January 6, 2022, from Detroit, Michigan. Petitioner appeared for the hearing and represented himself. The Department of Health and Human Services (Department) was represented by Tawana Smith, Eligibility Specialist. [REDACTED] served as Arabic interpreter.

ISSUE

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 [REDACTED], the Department received Petitioner's application for SER assistance with furnace repair/replacement. (Exhibit A, pp. 5-11)
2. The Department asserted that in connection with the application, on August 3, 2021, Petitioner submitted an estimate/work order from [REDACTED] (Colonial), detailing the work required. Because the estimate did not include a dollar amount, the Department made a collateral contact to Colonial and was informed that the cost of the repair/replacement would be \$9,517.64 (Exhibit A, p.12)

3. The Department processed Petitioner's SER application using the estimate submitted from Colonial.
4. On August 5, 2021, the Department sent Petitioner a State Emergency Relief Decision Notice, informing him that the Department approved a \$4,000 payment towards the total \$9,517.64 request for furnace repair/replacement. The SER Decision Notice further informed Petitioner that he must make a \$5,517.64 copayment towards the total amount requested and provide proof that the payment has been made prior to August 26, 2021, or the Department would not make its approved \$4,000 payment. (Exhibit A, pp. 14-16)
5. On or around August 10, 2021, Petitioner submitted a payment receipt from [REDACTED], showing that a payment of \$4,275 had been made towards a work order for a replacement/installation project totaling \$8,550. The receipt showed a balance due of \$4,275. (Exhibit A, p. 13)
6. The Department contacted Petitioner and, through a translator, informed him that the SER was approved for Colonial as the provider and the payment receipt from [REDACTED] could not be accepted because an estimate from [REDACTED] had not been submitted with the application.
7. The Department did not make the approved \$4,000 payment towards Petitioner's request for SER assistance because the payment submitted by Petitioner was not for the approved provider. On or around August 27, 2021, the Department denied the SER application.
8. On or around October 15, 2021, Petitioner requested a hearing disputing the Department's actions with respect to his 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 Department's actions with respect to his July 28, 2021, application for SER assistance with furnace repair/replacement.

SER assists with 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 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. 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. All SER service providers must be enrolled in Bridges before payment can be issued. ERM 401 (December 2020), pp. 1-2.

At the hearing, the Department caseworker testified that after receiving Petitioner's [REDACTED], SER application and the estimate/work order from Colonial, it made a collateral contact to Colonial and was informed that the cost of the repair/replacement would be \$9,517.64 (Exhibit A, p.12). The Department testified that on or around August 5, 2021, it processed Petitioner's SER request and determined that the estimate from Colonial was acceptable. The Department sent Petitioner a SER Decision Notice informing him that it approved a \$4,000 payment towards the total \$9,517.64 request for furnace repair/replacement and that Petitioner was required to make a \$5,517.64 copayment towards the total amount requested and provide proof that the payment has been made prior to August 26, 2021. The Department testified that Petitioner did not submit verification that he made the \$5,517.64 copayment to Colonial, but rather, on August 10, 2021, submitted a payment receipt from [REDACTED], showing that a payment of \$4,275 had been made towards a work order for a replacement/installation project totaling \$8,550. The Department testified that because it had not received any estimate from [REDACTED] prior to the SER Decision Notice, and there was no evidence that Petitioner made the required copayment to Colonial, which was the approved provider, the Department did not make its approved \$4,000 payment.

Petitioner testified that he obtained two estimates, one from Colonial totaling \$9,517.64, and the second from [REDACTED] totaling \$8,550. Petitioner testified that he went to the ACCESS organization and a caseworker assisted him with completing the SER application and submitting it to the Department. Petitioner testified that he provided the ACCESS caseworker with both estimates and both estimates were submitted to the Department. Petitioner asserted that he spoke with someone from the Department and was informed that he was to choose one of the companies and estimates. Petitioner stated that he chose to have the repairs completed by [REDACTED], because the estimate provided was lower in cost. Petitioner testified that he made a payment to [REDACTED] and submitted the payment receipt to the Department. Initially, Petitioner testified that all documentation, including both estimates, were sent to the Department from the caseworker at ACCESS and he did not keep any of the documents. Later in the hearing, Petitioner asserted that the documents were also directly dropped off at the Department's local office. Petitioner did not identify or recall the dates in which the estimates and other documentation were submitted to the Department. Petitioner maintained that he thought he could choose the company that would be completing the furnace repair/replacement, which is why he made payment to [REDACTED]. Additionally, Petitioner did not present any estimate or work order from [REDACTED] for review during the

hearing and could not recall the date in which payment was made to [REDACTED] or whether it was before or after the issuance of the August 5, 2021, SER Decision Notice. Without any additional documentation, Petitioner's testimony alone is insufficient to establish that an estimate from [REDACTED] was also submitted in connection with the July 28, 2021, SER application.

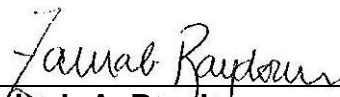
The Department completed a search of its case records and testified that the only documentation received on Petitioner's behalf from [REDACTED] was the payment receipt submitted on August 10, 2021. The Department asserted that because it only received the one estimate from Colonial, it did not notify Petitioner that Colonial was the approved provider prior to issuing the August 5, 2021, SER Decision Notice. However, a review of the SER Decision Notice informs Petitioner that the total amount requested was \$9,517.64, which was the amount of the repair estimate from Colonial. The SER Decision Notice does not reference a total amount requested of \$8,550, as identified on the [REDACTED] payment receipt. Petitioner confirmed that he was aware that the repair estimate from Colonial totaled \$9,517.64. Therefore, upon receipt of the SER Decision Notice, Petitioner should have known that the Department approved Colonial as the service provider and should not have made payment to [REDACTED] prior to inquiring about the SER Decision Notice and informing the Department that another repair estimate had been submitted and should be considered.

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 because Petitioner failed to establish that he timely submitted an estimate from [REDACTED] and because Petitioner's payment was made to an unapproved provider, the Department acted in accordance with Department policy when it did not make its approved \$4,000 payment towards Petitioner's request for SER assistance with furnace repair/replacement, and subsequently denied his SER application.

DECISION AND ORDER

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

ZB/dm



Zainab A. Baydoun
Administrative Law Judge

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

Sent Via Email:

MDHHS-Wayne-17-hearings
BSC4 Hearing Decisions
T. Bair
E. Holzhausen
MOAHR

Petitioner – Sent Via First-Class Mail:

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