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

ORLENE HAWKS DIRECTOR



Date Mailed: February 1, 2022 MOAHR Docket No.: 21-005357 Agency No.: Petitioner:

ADMINISTRATIVE LAW JUDGE: Linda Jordan

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 telephonic hearing was held on January 5, 2022. Petitioner appeared and represented himself. Kenika Bradley, Eligibility Specialist, appeared on behalf of the Michigan Department of Health and Human Services (MDHHS or Department).

ISSUE

Did MDHHS properly deny Petitioner's application for State Emergency Relief (SER) services?

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 2021, Petitioner applied for SER services for furnace repair (Exhibit A, pp. 7-11). On the application, he did not include a specific amount for the repair or the name of the service provider (Exhibit A, p. 9).
- 2. On September 30, 2021, MDHHS sent Petitioner a State Emergency Relief Decision Notice indicating that his SER application had 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, p. 12). The amount requested listed on the notice was \$0.00 (Exhibit A, p. 12).
- 3. On **Exercise**, 2021, Petitioner filed a hearing request to contest MDHHS's decision to deny his application for SER (Exhibit A, pp. 4-5).

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. MDHHS administers SER pursuant to MCL 400.10 and Mich Admin Code, R 400.7001-.7049.

In this case, Petitioner applied for SER services for furnace repair. At the hearing, MDHHS testified that Petitioner's application was denied because no amount for the repair was listed on the application.

To be eligible for SER services, the applicant must (i) complete the application process; (ii) meet financial and non-financial requirements; (iii) have an emergency which threatens health or safety and can be resolved through the issuance of SER; (iv) take action within their ability to help themselves; (v) not have caused the emergency; and (vi) cooperate in providing eligibility information to MDHHS. ERM 101 (March 2013), p. 1. Regarding SER applications, MDHHS is required to register an application if basic information is provided, including the applicant's name, address, birthdate and signature. ERM 102 (October 2020), p.1. Incomplete applications may be filed but must be completed before authorizing SER. ERM 103 (December 2020), p. 1. Applicants for SER must cooperate with the application process, provide verifications, and answer all questions truthfully and completely. *Id.* MDHHS is required to help in completing forms, answering inquiries, and obtaining verifications. *Id.*

Low-income households who meet all SER eligibility requirements may receive assistance to help them with household heat and electric costs. ERM 301 (October 2020), p. 1. An energy crisis includes situations in which a homeowner's furnace is inoperable and in need of repair or replacement. *Id.* For an energy-related repair such as a furnace replacement, MDHHS requires that applicants provide proof of need in the form of an estimate that details the cost of the repair or replacement. ERM 100 (May 2021), p. 3.

The standard of promptness for SER is ten business days, beginning the date the signed SER application is received by the local office. ERM 103, p. 5. The case record must include any delay in processing the application beyond the standard of promptness. *Id.* MDHHS is required to pend an application if the SER group is cooperating within their ability to provide verifications and to deny any application if the group does not cooperate. *Id.*

Here, Petitioner submitted a signed SER application for an energy-related repair on 2021 (Exhibit A, p. 7). The application was incomplete because Petitioner did not specify the amount needed to resolve the emergency. At the hearing, Petitioner testified that his furnace was not working but that he did not have an estimate of the repairs needed to fix it when he submitted the application. He subsequently obtained an estimate. On September 30, 2021, MDHHS denied Petitioner's SER application because "[t]he total of the income/asset copayment, shortfall and contribution is equal to or greater than the amount needed to resolve the emergency" Exhibit A, p. 12). The notice indicated that the amount requested for furnace replacement was \$0.00. *Id.*

At the hearing, MDHHS stated that it denied the application automatically because Petitioner did not request a specific amount of assistance for the furnace repair, and therefore it did not have enough information to determine eligibility. However, no evidence was presented that MDHHS attempted to contact Petitioner to complete the application or to obtain verification of the cost of the repair. Because the application contained the minimum information, including Petitioner's name, address, birthdate and signature, MDHHS should have accepted the application. ERM 102, p. 1. MDHHS is required to pend a SER application until it is complete, and verifications are obtained, as long as the applicant is cooperating within their ability to provide verifications. ERM 103, p. 5. Here, there was no evidence that Petitioner was given an opportunity to cooperate by supplying the missing information.

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 MDHHS did not act in accordance with Department policy when it denied Petitioner's SER application.

DECISION AND ORDER

Accordingly, MDHHS's decision is **REVERSED**.

MDHHS 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 the 2021 SER application;
- 2. If Petitioner is eligible for benefits, issue supplements to Petitioner or his provider for any SER benefits that he was eligible to receive but did not from September 18, 2021, ongoing; and
- 3. Notify Petitioner of its decision in writing.

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Linda Jordan Administrative Law Judge

LJ/tm

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

Email Recipients:

MDHHS-Oakland-II-Hearings T. Bair E. Holzhausen BSC4 MOAHR

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MI