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GOVERNOR

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

ORLENE HAWKS DIRECTOR



Date Mailed: March 23, 2023 MOAHR Docket No.: 23-000465

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 February 23, 2023, from Detroit, Michigan. Petitioner appeared for the hearing and represented himself. The Department of Health and Human Services (Department) was represented by Raven Douthard, Hearing Facilitator.

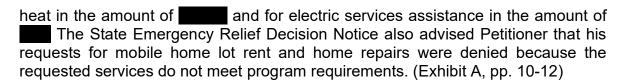
ISSUE

Did the Department properly process Petitioner's application 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 2023, Petitioner submitted an application for SER requesting assistance with heat, electricity, water, mortgage/mobile home lot rent, and home repairs. (Exhibit B)
- 2. In processing the application, the Department obtained information from the Online Resources for Agencies (ORA) showing that the past due amount of Petitioner's DTE Energy electric bill was and the past due amount for his heating bill was (Exhibit A, p. 8-9)
- 3. There was no evidence that Petitioner's water bill was past due, or that his account was in shut off status.
- 4. On or around 2023, the Department sent Petitioner a State Emergency Relief Decision Notice advising him that he was approved for SER with



5. On or around 2023, Petitioner requested a hearing disputing the Department's actions with respect to the denial of 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 2023, request for SER assistance with heat, electric, water, lot rent, and home repairs.

Heat and Electric Services

Eligible households who meet all SER eligibility requirements may receive assistance to help them with household heat and electric costs. Funding for energy services assistance is provided through the Low-Income Home Energy Assistance Program (LIHEAP). ERM 301 (December 2022), p. 1. When the group's heat or electric service for their current residence is in past due status, in threat of shutoff or is already shut off and must be restored, payment may be authorized to the enrolled provider. ERM 301, pp. 3-4. The SER should be processed using the past due amount and current bills that are not subject to shutoff should not be included in the amount needed. ERM 301, pp. 3-5. The Department must verify past due status, threatened shutoff or the need for gas or electricity and a bill must be obtained before authorizing a payment. The Department will contact the energy company and can use the Online Resources for Agencies (ORA) to access a client's energy account information and verify the account statement provided on the website in lieu of an actual bill. If the online statement is used, a copy must be retained in the case record. ERM 301, pp.11-13.

At the hearing, the Department representative testified that in processing the application, information was obtained from ORA showing that the past due amount of Petitioner's DTE Energy electric bill was and the past due amount for his heating

(Exhibit A, p. 8-9). The Department representative testified that Petitioner's request for SER assistance with heat and electric services was approved in the past due amounts identified on ORA. Petitioner was notified of the approval through 2023, State Emergency Relief Decision Notice. the issuance of the Petitioner disputed the past due amounts relied upon by the Department and testified that the total past due amount for his heat and electric bills was presented a letter that was date stamped received by the Department on 2023, in support of his testimony. However, it was unclear if this information was provided to the Department at the time the application was processed. Additionally, upon further review, based on the above referenced policy, the Department is to verify past due status by using the ORA. Because the past due amounts reflected on ORA for electric and for heating, the Department properly relied on this information to approve payments towards Petitioner's past due DTE account in the amounts identified. Petitioner is advised that should his account become past due again, he is entitled to submit a new request for SER and his eligibility will be determined.

Water Utility Services

SER helps to restore or prevent shut off of a utility service, such as water, when service is necessary to prevent serious harm to SER group members. The Department can award payments toward water or sewage up to the fiscal year cap if it will resolve the emergency. The payment must restore or continue service for at least 30 days at the current residence. The Department must verify actual or possible shutoff of water by reviewing a disconnect notice from the utility company, information from the utility provider website, an overdue or delinquency notice, or a collateral contact with the provider. ERM 302 (December 2022), pp.1-5.

Additionally, SER provides immediate assistance to meet a current emergency. ERM 210 (October 2021), 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.

At the hearing, the Department asserted that while the State Emergency Relief Decision Notice did not specifically reference a denial of Petitioner's request for assistance with his water utility bill, Petitioner was ineligible because his water bill was included in the cost of his monthly rent. Petitioner disputed that his water bill was included in the cost of his monthly rent. Petitioner testified that his monthly lot rent is and his water utility is paid to the mobile home management office in the monthly amount of statement from was presented for review. (Exhibit A, p. 15). Notwithstanding Petitioner's testimony, the evidence established that Petitioner's water services were not in shut off status. There was no evidence that a disconnect notice or other acceptable verification of actual or possible shutoff presented. No evidence of any past due water bills was presented for review. Therefore, Petitioner did not establish

that a current emergency existed with respect to his water services. Thus, the Department properly denied the request for SER assistance with water services.

Mobile Home Lot Rent

Petitioner submitted a request for SER assistance with his mobile home lot rent. It was established that Petitioner is the owner of his mobile home but is responsible for lot rent of prior to the inclusion of water services and trash fees. (Exhibit A, p. 15; Exhibit B). Because Petitioner is a mobile home owner, his request for SER assistance with mobile home lot rent is to be evaluated under ERM 304, Home Ownership. See ERM 303 (October 2022); ERM 304 (October 2021).

SER helps to prevent loss of a home if no other resources are available and the home will be available to provide safe shelter for the SER group in the foreseeable future. SER also assists with home repairs to correct unsafe conditions and restore essential services. ERM 304, pp. 1-8. Home ownership services include mobile home lot rent for owners or purchasers of mobile homes. Home ownership services payments can only be issued to save a home threatened with loss due to a mortgage foreclosure, land contract forfeiture, tax foreclosure or sale, court-ordered eviction of a mobile home from land or a mobile home park, or repossession for failure to meet an installment loan payment for a mobile home. ERM 304, pp. 1-8.

At the hearing, the Department representative testified that Petitioner was not eligible for SER assistance with his mobile home lot rent because his request did not meet program requirements, as his home was not in jeopardy of loss and there was no court-ordered eviction. Petitioner disputed the denial reason identified in the SER Decision Notice and testified that he knew he was unable to make his monthly lot rent payment and requested SER assistance. Petitioner asserted that his home was in jeopardy of loss because his lease indicates that if he does not pay his lot rent, he could face eviction. Petitioner also testified that he ended up borrowing money and using personal credit cards to make his lot rent payment. Upon review, there was also no evidence that Petitioner's mobile home was threatened with loss due to a mortgage foreclosure, land contract forfeiture, tax foreclosure or sale, court-ordered eviction of a mobile home from land or a mobile home park, or repossession for failure to meet an installment loan payment for a mobile home. Therefore, Petitioner failed to establish that a current emergency existed with respect to his lot rent/home ownership services. Thus, the Department properly denied the request for SER assistance with mobile home lot rent.

Home Repairs

SER assists with energy-related and non-energy-related home repairs to correct unsafe conditions and restore essential services. ERM 304, 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. Non-energy-related repairs includes all home repairs for client owned housing except furnace repair or replacement. Examples of non-energy-related home repairs include repairs to the basic structure, hot water heater, electrical, plumbing, and roofs, among other covered services. Authorization for payment of non-

energy-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 nonessential 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.

The Department representative testified that Petitioner's request for home repairs in the was denied because his request did not meet program requirements. Specifically, the Department asserted that Petitioner did not specify the type of repairs needed, and further, failed to provide any estimate for the repair costs or what repairs were needed. Petitioner asserted that he was not informed he was required to submit any estimates with his application, to which the Department responded that the application informs applicants to submit all verifications. Petitioner testified that he was requesting assistance with plumbing repairs, as the pipes were frozen and burst. Notwithstanding the discussion on whether repair estimates were provided, Petitioner confirmed that he purchased supplies and completed the plumbing repairs and other home repairs himself, after borrowing money. Although he indicated it was not a professional job, Petitioner's testimony at the hearing was sufficient to establish that he resolved the emergency with respect to home repairs. Because the SER emergency with home repairs has been resolved 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, even if the application had been improperly denied. Petitioner is advised that he is entitled to submit a new application for SER if additional assistance with home repairs is needed.

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 processed Petitioner's SER application.

DECISION AND ORDER

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

ZB/ml

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

Via Electronic Mail:

DHHS

Jeanenne Broadnax Wayne-Taylor-DHHS 25637 Ecorse Rd. Taylor, MI 48180 MDHHS-Wayne-18-Hearings@michigan.gov

Interested Parties

BSC4 E Holzhausen K Schulze MOAHR

Via First Class Mail:

Petitioner

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