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GOVERNOR

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

Date Mailed: January 12, 2024
MOAHR Docket No.: 23-006118
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 hearing was held on December 13, 2023, via teleconference. Petitioner appeared and represented herself. Valarie Foley, Hearings Facilitator, 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 August 7, 2023, Petitioner submitted an application for SER for a home repair concerning the shutoff valve for her water heater and dryer (Exhibit A, p. 1). The estimated cost of the repair was \$280.00 (Exhibit A, pp. 1, 7).
2. On September 11, 2023, MDHHS issued a State Emergency Relief Decision Notice stating that the request for assistance was denied because the required payment exceeded the SER need (Exhibit A, p. 10). The notice indicated that the income copayment was \$489.00, which exceeded the request of \$280.00 (Exhibit A, p. 10).

3. On September 20, 2023, Petitioner submitted a Request for Hearing to dispute the denial of her application for SER (Exhibit A, pp. 3-5).
4. On December 7, 2023, Petitioner's son paid for the repair and the emergency was resolved.

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 requested SER for assistance with a home repair. Petitioner requested funds to fix the shutoff valve for her hot water heater and dryer. MDHHS denied Petitioner's application because it determined that the co-payment required exceeded the amount that she requested.

The purpose of the SER program is to prevent serious harm to individuals and families by assisting applicants with safe, decent, affordable housing and other essential needs when an emergency arises. ERM 101 (March 2013), p. 1. Applicants must meet all financial and non-financial requirements and have an emergency which threatens health or safety and can be resolved through the issuance of SER. *Id.* SER is available to assist with home repairs to correct unsafe conditions and restore essential services. ERM 104 (October 2021), p. 1. Non-energy related repairs include repairs to the hot water heater, electrical, plumbing, water supply and other structures and systems. *Id.*, p. 3.

MDHHS alleged that it properly denied Petitioner's request because it determined that the income copayment exceeded the amount requested for the repair. A group is eligible for non-energy SER services with respect to income if the total combined monthly net income that is received or expected to be received by all group members in the 30-day countable income period does not exceed the standards found in the *SER Income Need Standards for All Non-Energy Services (Except Water/Sewer)* in ERM 208. ERM 208 (December 2022), p. 1. Income that is more than the basic monthly income need standard for the number of group members must be deducted from the cost of resolving the emergency. *Id.* This is the income copayment. *Id.* The total copayment amount is the amount the application is required to pay toward the resolution of the emergency. *Id.* p. 2. MDHHS is required to deny an application if the copayment exceeds the need. *Id.* For example, if an applicant has an eviction judgment of \$100 and the shortfall copayment is \$15 and the income copayment is \$100, MDHHS

must subtract the total \$115 copayment from the \$100 need. *Id.* In that example, SER is denied because the copayment exceeds the need. *Id.*

MDHHS introduced a budget to show that it properly determined Petitioner's copayment based on her unearned income, which it budgeted as \$934.00 per month (Exhibit A, p. 8). MDHHS determined that Petitioner's total unearned income was \$934.00 based on her receipt of Supplemental Security Income (SSI) and Retirement, Survivors and Disability Insurance (RSDI) (Exhibit A, p. 8). Petitioner did not dispute these amounts. MDHHS subtracted the income need standard of \$445.00 from Petitioner's income of \$934.00, which equaled \$489.00. This means that Petitioner would be responsible for a \$489.00 copayment. Because the copayment exceeded the requested repair amount of \$280.00, MDHHS properly denied Petitioner's request for SER services.

Additionally, Petitioner is not eligible for SER because as of the date of the hearing, there was no remaining emergency. A foundational requirement of the SER program is that there is a current emergency that can be resolved by the issuance of SER funds. ERM 101, p. 1. Policy provides that certain conditions be met before the issuance of SER funds, including prior written or oral approval from MDHHS and the SER payment must resolve the emergency. ERM 103 (October 2023), p. 3. MDHHS cannot issue SER to reimburse expenses incurred or paid without prior MDHHS approval. *Id.* Based on Petitioner's testimony, the shutoff valve had been fixed prior to the hearing and there was no remaining emergency.

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 acted in accordance with Department policy when it denied Petitioner's application for SER.

DECISION AND ORDER

Accordingly, MDHHS' decision is **AFFIRMED**.



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

Via-Electronic Mail :

DHHS
Susan Noel
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Interested Parties
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Via-First Class Mail :

Petitioner
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