

GRETCHEN WHITMER GOVERNOR

STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES SUZANNE SONNEBORN EXECUTIVE DIRECTOR

MARLON I. BROWN, DPA ACTING DIRECTOR



Date Mailed: January 9, 2024 MOAHR Docket No.: 23-006982

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 19, 2023, via teleconference. Petitioner appeared and represented herself. Nicole Taylor, Assistance Payments Supervisor, 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)?

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 2023, Petitioner applied for SER services for assistance replacing a hot water heater.
- 2. On October 13, 2023, MDHHS denied Petitioner's request for SER services because Petitioner provided an estimate for repairing the hot water heater, and not replacing the hot water heater (Exhibit A, pp. 1, 6). MDHHS sent Petitioner a State Emergency Relief Decision Notice, indicating that her application was denied because the "home is not the group's usual, permanent residence." (Exhibit A, pp. 7-8).

3. On October 16, 2023, Petitioner requested a hearing to dispute the denial of her application for SER (Exhibit A, p. 3).

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, MDHHS denied Petitioner's application for SER because it alleged that the home was not Petitioner's usual residence and that she did not submit proper verification of the replacement cost of the hot water heater.

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. Low-income households who meet all SER eligibility requirements may receive assistance with non-energy related home repairs, including repair or replacement of a hot water heater. ERM 304 (October 2021), pp. 1-3. Authorization for payment is only made if the repair(s) is essential to remove a direct threat to health or safety or is required by law or a mobile home park regulation. *Id.* The repair(s) must restore the home to a safe, livable condition. *Id.* SER does not pay for improvements or nonessential repairs. *Id.*

To be eligible for non-energy related home repairs, the repairs must be to the applicant's usual, permanent residence. ERM 304, p. 4. MDHHS is required to obtain at least one estimate of the repair cost. *Id.*, p. 5. MDHHS may request more than one estimate, depending on the circumstances. *Id.* MDHHS must inform clients of all verifications that are required and where to return verifications. ERM 103 (October 2023), p. 6. The due date is eight calendar days, which begins on the date the DHS-3503, SER Verification Checklist is generated. *Id.* The client must make a reasonable effort to obtain required verifications. *Id.* The specialist must assist if the applicant needs and requests help. *Id.* If neither the client nor the specialist can obtain the verifications despite a reasonable effort, MDHHS must use the best available information. *Id.* If no evidence is available, the specialist must use their best judgment. *Id.*

Here, there was no evidence that MDHHS attempted to verify Petitioner's information by sending a VCL regarding homeownership or the cost of replacement. Petitioner testified

that she uploaded several documents to her MI Bridges account—MDHHS' client-facing online portal—including a copy of the deed for her home and two repair and replacement estimates to replace the hot water heater. Based on the evidence presented, MDHHS failed to inform Petitioner regarding what verifications were necessary before denying her application, contrary to policy. No evidence was presented to show that MDHHS informed Petitioner that the documents that she submitted were insufficient prior to the denial. Additionally, the record shows that Petitioner was affirmatively providing the documentation that she believed MDHHS needed, which shows that she was attempting to cooperate with the application and verification process.

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 failed to satisfy its burden of showing that it acted in accordance with Department policy when it denied Petitioner's application for SER.

DECISION AND ORDER

Accordingly, MDHHS' 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 2023 SER application, requesting additional verification, if necessary;
- 2. Issue payment to Petitioner or her provider for any SER benefits that she was eligible to receive but did not, based on the 2023 application; and
- 3. Notify Petitioner of its decision in writing.

Linda Jordan

Administrative Law Judge

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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

Denise Key-McCoggle Wayne-Greydale-DHHS 27260 Plymouth Rd Redford, MI 48239 MDHHS-Wayne-15-Greydale-Hearings@michigan.gov

Interested Parties

J. McLaughlin E. Holzhausen BSC4

<u>Via-First Class Mail :</u> Petitioner

, MI