



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

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██████████, MI ██████████

Date Mailed: April 13, 2022
MOAHR Docket No.: 22-000237
Agency No.: ██████████
Petitioner: ██████████

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

HEARING DECISION

Following a request for hearing from Petitioner's authorized hearing representative (AHR), 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 via telephone conference line on March 24, 2022. ██████████, Petitioner's daughter, testified and participated as Petitioner's authorized hearing representative (AHR). The Michigan Department of Health and Human Services (MDHHS) was represented by Karen Smalls, supervisor, and Patricia Chambers, specialist.

ISSUE

The issue is whether MDHHS properly denied Petitioner's application for State Emergency Relief (SER)- burial.

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's AHR applied for SER-burial costs seeking assistance with her father's burial costs reported to be \$4,000.
2. On October 14, 2021, MDHHS mailed Petitioner's AHR a Verification Checklist (VCL) requesting a funeral bill.
3. On October 18, 2021, Petitioner's AHR returned to MDHHS a funeral bill listing funeral costs of \$5,033.04.

4. On [REDACTED] 2021, MDHHS denied the application for SER due to allegedly not receiving a funeral bill and/or family contributions exceeding need.
5. On January 24, 2022, Petitioner's AHR requested a hearing to dispute the denial of SER.

CONCLUSIONS OF LAW

The 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. SER policies are contained in the Emergency Relief Manual (ERM).

Petitioner's AHR requested a hearing to dispute a denial of SER. Exhibit A, pp. 3-6. Petitioner's AHR applied for SER on October 12, 2021, seeking \$4,000 in burial expenses for her father. Exhibit A, pp. 7-10. A State Emergency Relief Decision Notice dated October 25, 2021, stated that the SER application was denied for two reasons; the first denial reason to be evaluated is the alleged failure to timely verify funeral costs. Exhibit A, pp. 12-14.

MDHHS is to use the DHS-3503, SER Verification Checklist, to request verification and to notify the client of the due date for returning the verifications. ERM 103 (October 2021) p. 6. The due date is eight calendar days. *Id.*, p. 5.

MDHHS sent Petitioner's AHR a VCL requesting a funeral services bill by October 21, 2021. Exhibit A, p. 11. Petitioner sent MDHHS a funeral services bill on October 18, 2021, through her MI Bridges account.¹ Exhibit A, pp. 15-16. MDHHS did not initially discover Petitioner's timely submission which resulted in SER application denial. In its Hearing Summary, MDHHS acknowledged that Petitioner's timely submission entitled her to reprocessing of the SER application. Exhibit A, p. 1. During the hearing, MDHHS inexplicably contended that a failure to verify was a proper basis for closure because Petitioner's AHR did not send the requested verification to MDHHS under her father's MI Bridges account. Despite acknowledging timely receipt of verification, MDHHS essentially blamed Petitioner's AHR for not sending the funeral bill in a manner more identifiable with her father's case. MDHHS could not explain how Petitioner's AHR would have access to her father's MI Bridges account and/or why it was unable to timely locate Petitioner's AHR's timely submission. Given the evidence, MDHHS improperly denied Petitioner's SER application based on a failure to verify.

The SER Decision Notice also stated that denial was proper because the combined amount of family contribution, funeral contract, and death benefits exceeded funeral costs. There was no evidence of a funeral contract or death benefits. Thus, MDHHS denied the SER due to family contributions exceeding the funeral costs.

¹ MI Bridges is an app that clients can utilize to electronically submit documents to MDHHS.

Petitioner's AHR submitted a bill to MDHHS listing funeral costs of \$5,033.04.² Petitioner's AHR testified that her father was cremated with a memorial service. The maximum SER payment for Petitioner's services is \$600 (\$455 for the funeral director and \$155 for cremation). *Id.*, p. 10. Subtracting the maximum SER payment of \$600 from the funeral cost of \$5,033.04 leaves a family contribution of \$4,433.04. Thus, the family contribution did not exceed funeral costs.

During the hearing, MDHHS additionally contended that denial was also justified based on the funeral bill being unsigned and/or because Petitioner's AHR was not listed as a responsible party on one of the submitted funeral bills.³ More problematic for Petitioner is that family contributions appeared to exceed \$4,000.⁴ MDHHS is to deny SER if family contributions exceed \$4,000 or the total cost of the burial exceeds the SER maximum payment allowed plus the voluntary contribution. ERM (October 2021) p. 9. Though MDHHS may be correct that denial for one or more reasons exists, proper written notice of the denial must still be issued.

Given the evidence, MDHHS improperly denied Petitioner's SER application for burial costs. As a remedy, MDHHS must reprocess Petitioner's SER application.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS improperly denied Petitioner's SER application for burial. It is ordered that MDHHS commence the following actions within 10 days of the date of mailing of this decision:

- (1) Reregister Petitioner's SER application dated [REDACTED] 2021; and
- (2) Reprocess Petitioner's SER application subject to the following findings:
 - a. MDHHS timely received a funeral bill;
 - b. The family contributions did not exceed funeral costs; and
 - c. MDHHS must issue proper written notice of denial.

² The funeral home that buried Petitioner sent to MDHHS on November 17, 2021, additional bills listing funeral costs of \$725. Exhibit A, pp. 19-20. MDHHS expressed skepticism that the bills accurately reflected Petitioner's actual funeral costs.

³ Petitioner's AHR testified that she was told by the testifying manager on November 15, 2021, that she could have until November 19, 2021, to return a signed bill. Petitioner further testified that she returned the signed bill to MDHHS on November 17, 2021. Despite the testifying manager having no recollection of the conversation, Petitioner supported her testimony with a chronological narrative of her discussions with MDHHS, including phone logs. Exhibit 1, pp. 1-13.

⁴ Due to conflicting funeral bills, the evidence did not definitively establish the amount of family contributions.

The actions taken by MDHHS are **REVERSED**.

CG/mp


Christian Gardocki
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

Email Recipients:

MDHHS-Oakland-6303-Hearings
E. Holzhausen
MOAHR
T. Bair
BSC4

First-Class Mail Recipients:

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