

GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS LANSING

MARLON I. BROWN, DPA DIRECTOR



Date Mailed: October 18, 2024 MOAHR Docket No.: 24-009336

Agency No.:
Petitioner:

ADMINISTRATIVE LAW JUDGE: Caralyce M. Lassner

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 by telephone on September 18, 2024. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Michael Whitehead, Eligibility Specialist, and Corlette Brown, Hearings Facilitator.

ISSUE

Did the Department properly deny payment of Petitioner's State Emergency Relief (SER) request for assistance for electric 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 2024, the Department received an application for SER from Petitioner for assistance with payment of electric, water and sewage, and property taxes. (Exhibit A, pp. 6 − 13).
- 2. On June 10, 2024, the Department sent Petitioner a SER Decision Notice (SERDN) that approved Petitioner for a payment of \$425 for her energy services and denied Petitioner's request for assistance with property taxes because there was no notice of a judicial foreclosure hearing. (Exhibit A, pp. 16 17)
- 3. On June 10, 2024, the Department also sent Petitioner a Verification Checklist (VCL) requesting a copy of Petitioner's utility services disconnection or shut off notice and the amount owed by June 17, 2024. (Exhibit A, p. 14).

- 4. On July 15, 2024, the Department sent Petitioner a SERDN that denied Petitioner's request for assistance with water and sewage. (Exhibit A, p. 19).
- 5. On August 12, 2024, the Department received a request for hearing from Petitioner because the Department did not issue the approved payment for Petitioner's energy services. (Exhibit A, p. 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.

Petitioner requested a hearing because the Department did not issue the approved payment for Petitioner's energy services. The Department explained that it did not issue payment on Petitioner's energy services because it did not receive verification of Petitioner's water bill.

The SER program provides assistance to applicants to secure or maintain safe, decent, affordable housing and other essential needs when an emergency situation arises. ERM 101 (March 2023), p. 1. SER assists individuals with overall housing issues, avoiding interruption of utilities due to shut off notices, non-energy home repairs, other housing-related emergencies, and burial expenses, and a client may submit one assistance application for multiple Department programs or SER services. ERM 100 (October 2023), p. 1 - 3; ERM 103 (October 2023), pp. 2 - 3; ERM 209 (October 2023), pp. 1 - 5. SER assistance related to an individual's heat and electricity are considered energy services, and water and sewer bills are utility services. ERM 301 (January 2024), p. 1; ERM 302 (December 2022), p. 1.

Here, Petitioner applied for SER assistance for energy services, water and sewage, and property taxes on 2024, and the Department approved her request for energy services, with no copayment, on June 10, 2024 through a SERDN. (Exhibit A, pp. 6-13, 16-17). ERM 301 directs that once the client's eligibility has been established for energy services and proof of any required co-payment has been received, the Department is to approve payment if it will resolve the emergency and if the energy provider will maintain or restore service for at least 30 days. ERM 301, pp. 11-13. Here, the Department obtained the required verification for energy services directly from the provider and determined Petitioner was eligible for electric services with no copayment. (Exhibit A, pp. 16-17). However, the Department testified that because

Petitioner did not return verifications regarding her utility services in response to a June 10, 2024 VCL, her whole application was disqualified and no payment was made for Petitioner's energy services.

While ERM 102 states that SER will be denied if the client does not provide verifications, the Department has not identified any policy that provides for the denial of a requested SER service for failure to provide verification concerning a different service. In this case in particular, where the Department established Petitioner's eligibility for SER assistance with electric payment and approved it via the June 10, 2024 SERDN before sending out the VCL concerning the utility services, the Department has failed to show that that it had any basis for subsequently refusing payment as provided in the June 10, 2024 SERDN. See ERM 103 (October 2024), pp. 3, 4, 6. Therefore, the Department did not act in accordance with Department policy when it determined that Petitioner's failure to satisfy the verification requirement for utility services disqualified her from energy services assistance.

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 did not act in accordance with Department policy when it failed to issue Petitioner's approved energy services assistance.

DECISION AND ORDER

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

THE DEPARTMENT 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. Issue payment for Petitioner's energy services provider as approved by the Department in the June 10, 2024 SERDN;
- 2. Notify Petitioner of its action in writing.

CML/nr

Caralyce M. Lassner 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

<u>Via-Electronic Mail</u>: DHHS

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Interested Parties

BSC4

J. Mclaughlin E. Holzhausen

MOAHR

Via-First Class Mail: Petitioner

