

**STATE OF MICHIGAN
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES**

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2007-22261
Issue Nos.: 1000, 3000
Case No.: [REDACTED]
Hearing Date: August 31, 2011
DHS County: Wayne (82-17)

ADMINISTRATIVE LAW JUDGE: Jan Leventer

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to Michigan Compiled Laws (MCL) 400.9 and 400.37, which govern the administrative hearing and appeal process, and Respondent's request for a hearing. After due notice, a telephone hearing was held on August 31, 2011, in Detroit, MI. Respondent did not appear. [REDACTED], appeared and testified on behalf of the Department of Human Services (DHS).

ISSUE

Whether DHS is entitled to reimbursement from Respondent for overissuances of Family Independence Program (FIP) and Food Assistance Program (FAP) benefits?

FINDINGS OF FACT

The Administrative Law Judge, based on competent, material, and substantial evidence in the record and on the entire record as a whole, finds as fact:

1. In 2006, Respondent received FIP and FAP benefits for herself, her fiancé and one child.
2. On June 5, 2006, Respondent's fiancé, [REDACTED], became employed.
3. On June 8, 2006, Respondent's fiancé reported his employment to DHS.
4. On July 26, 2006, DHS sent a Verification of Employment, DHS Form 38, to Respondent.

5. On or about July 31, 2006, the completed and signed Verification of Employment form was submitted to DHS.
6. DHS failed to act on the available information, causing Respondent to receive overissuances from July 1, 2006-September 30, 2006.
7. On June 1, 2007, DHS issued a Notice of Overissuance, Department and Client Error Information and Repayment Agreement, and Overissuance Summary to Respondent. Respondent failed to sign the Repayment Agreement.
8. On June 12, 2007, Respondent filed a Hearing Request for Overissuance or Recoupment Action with DHS.
9. At the Administrative Hearing, DHS acknowledged that the overissuance budgets submitted in evidence were incorrect.
10. After acknowledging this fact, DHS agreed to settle this matter by accepting an order from this tribunal ordering that the overissuances shall be recalculated, and, if recoupment is necessary after the recalculations, DHS shall initiate a new Debt Collection action.

CONCLUSIONS OF LAW

FIP was established by the U.S. Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 United States Code 601 *et seq.* DHS administers FIP pursuant to MCL 400.10 *et seq.* and Michigan Administrative Code Rules (MACR) 400.3101-400.3131. DHS' policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables (RFT). These manuals are available online at www.michigan.gov/dhs-manuals.

FAP was established by the U.S. Food Stamp Act of 1977 and is implemented by Federal regulations contained in Title 7 of the Code of Federal Regulations. DHS administers FAP pursuant to MCL 400.10 *et seq.* and MACR 400.3001-400.3015. Department policies are found in BAM, BEM and RFT. *Id.*

Under BAM Item 600, clients have the right to contest any DHS decision affecting eligibility or benefit levels whenever they believe the decision is illegal. DHS provides an Administrative Hearing to review the decision and determine if it is appropriate. DHS policy includes procedures to meet the minimal requirements for a fair hearing. Efforts to clarify and resolve the client's concerns start when DHS receives a hearing request and continue through the day of the hearing.

In this case DHS stipulated to settle this matter at the hearing with a settlement agreement to resolve this case. DHS agrees to recalculate the overissuances it alleges in this case. DHS further agrees that as a part of this settlement, it will initiate a new debt collection proceeding if it is determined that it is appropriate after the recalculations are made. As DHS has presented an agreement, it is not necessary for the Administrative Law Judge to decide the issue presented in this case.

DECISION AND ORDER

In conclusion, based on all of the findings of fact and conclusions of law, and the agreement of DHS before this hearing tribunal, I HEREBY ORDER that DHS shall:

1. Initiate steps to withdraw this Debt Collection action;
2. Initiate procedures to recalculate Respondent's alleged FIP and FAP overissuance;
3. If appropriate, initiate a new Debt Collection action against Respondent for the recalculated amount of any alleged overissuance.

All steps shall be taken in accordance with DHS policy and procedure.



Jan Leventer
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: September 1, 2011

Date Mailed: September 1, 2011

NOTICE: The law provides that within 60 days from the mailing date of the above hearing Decision the Respondent may appeal it to the circuit court for the county in which he/she resides or has his or her principal place of business in this state, or in the

2007-22261/JL

circuit court for Ingham County. Administrative Hearings, on its own motion, or on request of a party within 60 days of the mailing date of this Hearing Decision, may order a rehearing.

JL/pf

cc:

