

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 2008-31379
Issue No: 4060

[REDACTED]

Grand Traverse County DHS

ADMINISTRATIVE LAW JUDGE: Vicki L. Armstrong

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to 7 CFR 273.18; 45 CFR 233.20(a)(13); MCL 400.9; MCL 400.37; MCL 400.43(a); MAC R 400.941 and MCL 24.201, *et seq.*, upon a hearing request by the Department of Human Services (department) to establish an overissuance of benefits to Respondent. After due notice was mailed to Respondent, a hearing was held [REDACTED]. Respondent personally appeared and provided testimony.

ISSUE

Whether Respondent received an overissuance of Food Assistance Program (FAP) benefits that the department is entitled to recoup?

FINDINGS OF FACT

The Administrative Law Judge, based upon the clear and convincing evidence on the whole record, finds as material fact:

1. Respondent applied for and received FAP benefits. (Hearing Summary).
2. Respondent signed Semi-Annual Contact Report (DHS-1046) on December 13, 2006, acknowledging that she understood her failure to give timely, truthful, complete and accurate information about her circumstances could result in a civil or criminal action or an administrative claim against her. (Department Exhibit 4).
3. On January 24, 2007, the department mailed Respondent an Eligibility Notice informing her that she would be receiving [REDACTED] in FAP benefits beginning February 2007 through July, 2007. The notice also instructed Respondent to notify the department within 10 days if her household's income exceeded [REDACTED]. (Department Exhibit 1).

4. The department mailed Respondent an Eligibility Notice on June 19, 2007, informing her that her FAP was being closed effective June 30, 2007. (Department Exhibit 27).
5. On June 14, 2007, the department received paystubs from W.A.R., Inc., and True North Builders. (Department Exhibits 8-10).
6. A Verification of Employment was received by the department on July 5, 2007, showing Respondent's husband was employed by True North Builders from December 18, 2006 through June 22, 2007. (Department Exhibits 13-14).
7. Respondent received [REDACTED] in FAP benefits during the alleged fraud period of April 2007 through June, 2007. If the income had been properly reported and budgeted by the department, Respondent would not have been eligible to receive FAP benefits. (Department Exhibits 14-21).
8. Respondent failed to timely report her husband's employment income at True North Builders, resulting in a FAP overissuance for the months of April 2007 through June, 2007, in the amount of [REDACTED]. (Department Exhibits 14-21).
9. Respondent was clearly instructed and fully aware of the responsibility to report all employment and income to the department.
10. Respondent has no apparent physical or mental impairment that would limit the understanding or ability to fulfill the income reporting responsibilities.
11. Respondent submitted a hearing request on September 18, 2008, protesting the FAP debt establishment. (Hearing Request).

CONCLUSIONS OF LAW

The Food Assistance Program (FAP) (formerly known as the Food Stamp (FS) program) is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations (CFR). The Department of Human Services (DHS or department) administers the FAP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3001-3015. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Bridges Reference Manual (BRM).

Departmental policy, states that when the client group receives more benefits than the group is entitled to receive, DHS must attempt to recoup the overissuance (OI). Repayment of an OI is the responsibility of anyone who was an eligible, disqualified, or other adult in the program group at the time the OI occurred. Bridges will collect from all adults who were a member of the case. OIs on active programs are repaid by lump

sum cash payments, monthly cash payments (when court ordered), and administrative recoupment (benefit reduction). OI balances on inactive cases must be repaid by lump sum or monthly cash payments unless collection is suspended. BAM 725.

In this case, the department has established that Respondent was aware of the responsibility to report all income and employment to the department. Department policy requires clients to report any change in circumstances that will affect eligibility or benefit amount within ten days. BAM 105. Respondent has no apparent physical or mental impairment that limits the understanding or ability to fulfill the reporting responsibilities.

Respondent completed a Semi-Annual Contact Report (DHS-1046) on December 13, 2006. On January 24, 2007, an Eligibility Notice was mailed to Respondent instructing her that if her household income exceeded [REDACTED] a month, she had to notify the department within 10 days. In June 2007, the department received information that Respondent's husband was no longer self-employed, but working for True North Builders. A verification of employment showed Respondent's husband was employed at True North Builders from December 18, 2006 through June 22, 2007. This income was not reported and exceeded the household income of [REDACTED].

This Administrative Law Judge finds that the evidence presented by the department shows that Respondent failed to timely report her husband's income to the department resulting in an overissuance of [REDACTED]. Therefore, Respondent is responsible for repayment of the overissuance.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that Respondent received an overissuance of FAP benefits for the time period of April 2007 through June, 2007. Accordingly, the department is therefore entitled to recoup the FAP overissuance of [REDACTED] from Respondent.

It is SO ORDERED.

_____/s/_____
Vicki L. Armstrong
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: 5/18/11

Date Mailed: 5/18/11

NOTICE: The law provides that within 60 days of mailing of the above 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 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.

[REDACTED]