

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 2008-7643

Issue No: 4060

[REDACTED]

Kent 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 August 23, 2011. 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 Assistance Application (DHS-1171) on January 4, 2007, 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 Exhibits 2-9).
3. On January 9, 2007, the department mailed Respondent an Eligibility Notice showing her FAP benefits were based on her receiving zero earned and unearned income. The Notice also informed Respondent she was required to report any changes with 10 days. (Department Exhibit 13).
4. On April 9, 2007, the department received a Consolidated Income Inquiry showing Respondent began receiving Unemployment Compensation

Benefits (UCB) on January 23, 2007. Respondent did not report this income to the department. (Department Exhibits 14-16).

5. Respondent received \$568.00 in FAP benefits during the alleged fraud period of March 2007 through April, 2007. If the Unemployment Benefit Compensation income had been properly reported and budgeted by the department, Respondent would not have been eligible to receive FAP benefits. (Department Exhibits 20-25).
6. Respondent failed to report the receipt of Unemployment Benefit Compensation, resulting in a FAP overissuance for the months of March 2007 through April, 2007, in the amount of \$568.00. (Department Exhibits 20-25).
7. Respondent was clearly instructed and fully aware of the responsibility to report all employment and income to the department.
8. Respondent has no apparent physical or mental impairment that would limit the understanding or ability to fulfill the income reporting responsibilities.

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 Reference Tables Manual (RFT).

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 an application for assistance on January 4, 2007. On this application, Respondent indicated that she had applied for Unemployment Compensation Benefits. The automated computer match information shows that Respondent began receiving Unemployment on January 23, 2007. Respondent testified that she did not report the receipt of UCB to the department, because she believed they would automatically be aware of the receipt since she had informed them at the time of application that she had applied. Respondent stated that she was not trying to defraud the department, it was simply a misunderstanding on her part.

This Administrative Law Judge finds that the evidence presented by the department shows that Respondent failed to report her change in circumstances in a timely manner. 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 March 2007 through April, 2007 that the department is entitled to recoup.

The department is therefore entitled to recoup FAP overissuance of \$568.00 from Respondent.

It is SO ORDERED.

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

Date Signed: 8/25/11

Date Mailed: 8/25/11

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.

VLA/ds

