

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 200917129
Issue No: 4060
Case No: [REDACTED]
Hearing Date: August 23, 2011
Jackson County DHS

ADMINISTRATIVE LAW JUDGE: Corey A. Arendt

HEARING DECISION

This matter is assigned to me 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 over issuance of benefits to Respondent. After due notice was mailed to Respondent, a hearing was held on August 23, 2011, at which Respondent did not appear. This matter having been initiated by the Department and due notice having been provided to Respondent, the hearing was held in accordance with Bridges Administrative Manual, Item 725.

ISSUE

Whether Respondent received an over issuance (OI) of Food Assistance Program (FAP) and Family Independence Program (FIP) benefits that the Department is entitled to recoup?

FINDINGS OF FACT

I, based upon the competent, material, and substantial evidence on the whole record, find as material fact:

1. From August 2004 through October 2004, Respondent was active in the FIP program. From August 2004 through January 2005, Respondent was active in the FAP program.
2. From August 2004 through October 2004, the Respondent received [REDACTED] in FIP OI due to Department error. From August 2004 through January 2005, the Respondent received [REDACTED] in FAP OI due to Department error.
3. The amount of [REDACTED] is still due and owing to the Department.

CONCLUSIONS OF LAW

The FAP 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 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).

The FIP was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 USC 601, *et seq.* The Department administers the FIP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3101-3131. The FIP program replaced the Aid to Dependent Children (ADC) program effective October 1, 1996. Department policies are found in BAM, the BEM and the BRM.

Departmental policy, states that when the client group receives more benefits than the group is entitled to receive, the Department must attempt to recoup the 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.

Agency error OI's are not pursued if the estimated OI is less than \$1,000 per program. (PAM 705).

In this case, the Department admitted they did not follow their own policies in budgeting Respondent's child support income. Because the Department failed to budget Respondent's child support income, Respondent received an OI of benefits. Regardless of fault, the Department must attempt to recoup the OI. However, the FIP OI is less than [REDACTED] and therefore should not be pursued because the total amount is less than [REDACTED] (PAM 705).

I find the evidence presented by the Department shows the Respondent received more benefits than she was entitled to receive. Therefore, Respondent is responsible for repayment of the OI for the FAP benefits only.

DECISION AND ORDER

I, based upon the above findings of fact and conclusions of law, decide the Respondent received an OI of FAP benefits FIP benefits. However, the Department is entitled to recoup the OI of FAP benefits **only**.

The Department is therefore entitled to recoup the remaining FAP OI of [REDACTED] from the Respondent.

The Department is not entitled to recoup the remaining FIP OI of [REDACTED] from the Respondent.

The Department shall initiate collection procedures in accordance with Department policy.

/s/

Corey A. Arendt
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: August 23, 2011

Date Mailed: August 23, 2011

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.

CAA/cr

cc:

[REDACTED]