

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF: [REDACTED],  
Respondent

Reg. No: 2009-17889  
Issue No: 1052; 3055  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
December 16, 2009  
Isabella County DHS

ADMINISTRATIVE LAW JUDGE: Gary F. Heisler

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37, 7 CFR 273.16, MAC R 400.3130, and MAC R 400.3178 upon the Department of Human Services (department) request for a disqualification hearing. After due notice, a hearing was held on December 16, 2009. Respondent did not appear. In accordance with Program Administrative Manual (PAM) 720 the hearing proceeds without Respondent.

ISSUE

Whether respondent committed an Intentional Program Violation (IPV) and whether respondent received an overissuance of 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) On April 11, 2006, Respondent and his wife [REDACTED] signed and submitted an application for assistance in [REDACTED]. The application stated that Respondent and his family had moved to Michigan from Georgia. Respondent's signature

was an acknowledgment of the responsibility to report changes that affect eligibility.

Respondent's benefit group began receiving Family Independence Program (FIP) and Food Assistance Program (FAP) benefits.

(2) On August 12, 2006 through January 4, 2007 Respondent's benefit group's electronic benefit card was used exclusively out of Michigan, specifically in Georgia and Florida.

(3) On October 29, 2008, [REDACTED] wrote and signed a statement saying the family moved back to Georgia during September, 2006 [REDACTED] also said she forgot to inform the local office in Michigan and that she did not use the Food Assistance Program (FAP) card after September. [REDACTED] asserts that [REDACTED] must have been using the card after that because he knew the PIN number for it.

(4) Respondent's benefit group was not eligible for Family Independence Program (FIP) nor Food Assistance Program (FAP) benefits through the State of Michigan once they moved because they were no longer residents of Michigan.

#### CONCLUSIONS OF LAW

The Family Independence Program (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 of Human Services (DHS or 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 the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

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 Program Reference Manual (PRM).

In this case, the department has requested a disqualification hearing to establish an overissuance of benefits as a result of an IPV and the department has asked that respondent be disqualified from receiving benefits. The department's manuals provide the following relevant policy statements and instructions for department caseworkers:

## **PAM 720 INTENTIONAL PROGRAM VIOLATION**

### **DEPARTMENT POLICY**

#### **All Programs**

Recoupment policies and procedures vary by program and overissuance (OI) type. This item explains Intentional Program Violation (IPV) processing and establishment. [PAM 700](#) explains OI discovery, OI types and standards of promptness. [PAM 705](#) explains agency error and [PAM 715](#) explains client error.

### **DEFINITIONS**

#### **All Programs**

**Suspected IPV** means an OI exists for which all three of the following conditions exist:

- The client **intentionally** failed to report information **or intentionally** gave incomplete or inaccurate information needed to make a correct benefit determination, **and**
- The client was clearly and correctly instructed regarding his or her reporting responsibilities, **and**

- The client has no apparent physical or mental impairment that limits his or her understanding or ability to fulfill their reporting responsibilities.

IPV is suspected when there is clear and convincing evidence that the client or CDC provider has intentionally withheld or misrepresented information for the **purpose** of establishing, maintaining, increasing or preventing reduction of program benefits or eligibility.

### **FAP Only**

IPV is suspected for a client who is alleged to have trafficked FAP benefits.

### **IPV**

### **FIP, SDA and FAP**

The client/authorized representative (AR) is determined to have committed an IPV by:

- A court decision.
- An administrative hearing decision.
- The client signing a DHS-826, Request for Waiver of Disqualification Hearing or DHS-830, Disqualification Consent Agreement or other recoupment and disqualification agreement forms.

Clear and convincing evidence is evidence that “produce[s] in the mind of the trier of fact a firm belief or conviction as to the truth of the allegations sought to be established, evidence so clear, direct, and weighty and convincing as to enable [the fact finder] to come to a clear conviction, without hesitancy, of the truth of the precise facts in issue.” *In re Martin*, 450 Mich 204, 227; 538 NW2d 399 (1995), quoting *In re Jobes*, 108 NJ 394, 407-408; 529 A2d 434 (1987).

The evidence in this case clearly shows that Family Independence Program (FIP) and Food Assistance Program (FAP) benefits were issued through the State of Michigan to Respondent’s benefit group, after they were ineligible. The fact that the benefits continued to be

issued and used negates any possibility that Respondent was unaware of receiving benefits when ineligible. Respondent intentionally failed to report the change of residence in order to continue receiving the benefits.

DECISION AND ORDER

The Administrative Law Judge, based upon the clear and convincing evidence, decides the following:

Respondent [REDACTED] committed an intentional program violation by intentionally failing to report a change of residence. The purpose of the intentional failure was to continue receiving Family Independence Program (FIP) and Food Assistance Program (FAP) benefits the Respondent and his family were not eligible for. The intentional program violation resulted in an over-issuance of Family Independence Program (FIP) benefits in the amount \$3,558 from September 1, 2006 through February 28, 2007. The intentional program violation also resulted in an over-issuance of Food Assistance Program (FAP) benefits in the amount \$3,002 from September 1, 2006 through February 28, 2007.

The Department of Human Services is entitled to recoup the entire amount of the over-issuances of both Family Independence Program (FIP) and Food Assistance Program (FAP) benefits.

/s/ \_\_\_\_\_  
Gary F. Heisler  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: February 18, 2010

Date Mailed: February 18, 2010

2009-17889/GFH

NOTICE: The law provides that within 30 days of receipt of the above Decision and Order, the respondent may appeal it to the circuit court for the county in which he/she lives.

GFH [REDACTED]

cc:

[REDACTED]