

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 2009-25972  
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 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 was receiving FAP benefits at all times pertinent to this hearing. (Hearing Summary)
2. Respondent applied for FAP assistance on August 13, 2008, and listed her medical expenses as [REDACTED]. (Department Exhibits 1-3).
3. On August 13, 2008, the department mailed Respondent an Eligibility Notice which shows the department based Respondent's FAP amount of [REDACTED] on a medical expense of [REDACTED], instead of the correct medical expense of [REDACTED] (Department Exhibit 4).

4. As a result of a CIMS report, the department discovered it had erred by budgeting Respondent's monthly medical expenses at [REDACTED] instead of the listed \$96.40. (Department Exhibit 5).
5. Respondent received [REDACTED] in FAP benefits during the alleged fraud period of August 2008 through May, 2009. If the medical expenses had been properly budgeted by the department, Respondent would not have been eligible to receive FAP benefits. (Department Exhibit 8).
6. The department failed to properly budget Respondent's medical expenses, resulting in a FAP overissuance for the months of August 2008 through May, 2009, in the amount of [REDACTED]. (Department Exhibit 8).

### 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 admitted that Respondent reported her medical expenses correctly. The department mistakenly budgeted the monthly medical expense of \$96.40 as [REDACTED]. Because the department incorrectly budgeted Respondent's medical expenses, Respondent received [REDACTED] in FAP benefits for the period of August 2008 through May, 2009. Regardless of fault, the department must attempt to recoup the overissuance. As a result, Respondent received an overissuance of [REDACTED].

The Administrative Law Judge finds that the evidence presented by the department shows that Respondent received more benefits that she was entitled to receive. 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 August 2008 through May, 2009, that the department is entitled to recoup.

The department is therefore entitled to recoup FAP overissuance of [REDACTED] from Respondent.

It is SO ORDERED.

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

Date Signed: 5/19/11

Date Mailed: 5/19/11

**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]