

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 2009-3127

Issue No: 4060

[REDACTED]

Kalamazoo 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 16, 2011. Respondent personally appeared and provided testimony.

ISSUE

Whether Respondent received an overissuance of Family Independence Program (FIP) and 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 FIP and FAP at all times pertinent to this hearing. (Hearing Summary).
2. On August 13, 2004, Work First/JET entered a Change of Status for Respondent showing she was working 40 plus hours a week. This information was not forwarded to the department. (Department Exhibit 35).
3. On April 12, 2005, the department discovered Respondent was employed through a Quarterly MESC Wage Match. (Department Exhibit 38).

4. On May 24, 2005, the department received Verification of Employment showing Claimant was employed at Wendy's since October 20, 2003. (Department Exhibits 30-33).
5. Respondent received \$2,725.00 in FAP benefits and \$3,468.00 in FIP benefits during the alleged fraud period of May 2004 to October, 2004. If the income had been properly budgeted by the agency, Respondent would only have been eligible to receive \$1,386.00 in FAP benefits and \$607.00 in FIP benefits. (Department Exhibits 5-29).
6. Work First/JET failed to inform the department that Respondent had earned income, resulting in a FAP overissuance of \$1,339.00 and a FIP overissuance of \$2,861.00 for the months of May 2004 to October, 2004. (Department Exhibits 5-29).

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), Reference Table Manual (RFT), and the Reference Tables Manual (RFT).

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, BAM 725, Collection Actions, states that when the client group receives more benefits than 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.

Claimant testified that she believes she had already repaid the overissuance. The department reviewed their files and found Claimant did have a previous overissuance in 2005 which she repaid, however, this case was from 2004.

This Administrative Law Judge finds that the evidence presented by the agency 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 FIP and FAP benefits for the period of May 2004 through October, 2004, that the department is entitled to recoup.

The agency is therefore entitled to recoup the FIP overissuance of \$2,861.00 and FAP overissuance of \$1,339.00 from Respondent.

It is SO ORDERED.

/s/

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

Date Signed: 8/23/11

Date Mailed: 8/23/11

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

