

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Claimant,

Reg No: 2010-16019

Issue No: 3020

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

February 18, 2010

Manistee County DHS

ADMINISTRATIVE LAW JUDGE:

Steven M. Brown

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon Claimant's request for a hearing. After due notice, a telephone hearing was conducted from [REDACTED] on February 18, 2010.

ISSUE

Whether the Department made an error in computing Food Assistance Program (FAP) benefits which resulted in an overissuance to Claimant that the Department is entitled to recoup?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material and substantial evidence on the whole record, finds as material fact:

- (1) Claimant is a FAP recipient.
- (2) On December 12, 2009, the Department mailed Claimant a Notice of Overissuance for the period of July 1, 2009 – December 31, 2009. The Notice states that

the overissuance balance is [REDACTED] based on the amount issued ([REDACTED]) and the correct issuance ([REDACTED]) for the months in question. (Exhibit 1)

(3) On December 21, 2009, the Department received Claimant's hearing request, DHS-4358-D.

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. Departmental policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Bridges Reference Manual (BRM).

An overissuance is the amount of benefits issued to the client group or CDC provider in excess of what they were eligible to receive. BAM 705, p.5 The amount of the overissuance is the amount of benefits the group or provider actually received minus the amount the group was eligible to receive. BAM 720, p.6 When a client group receives more benefits than they are entitled to receive, DHS must attempt to recoup the overissuance (OI). BAM, p.1 Agency errors are caused by incorrect actions by DHS. BAM 705, p.1 Client errors occur when the customer gave incorrect or incomplete information to the Department. BAM 700, p. 4, 5

In the instant case, the Department states in its Hearing Summary – “Legacy did not transfer unearned income over to Bridges correctly. Benefits were decreased and are being recouped because of added unearned income.” At hearing, the Department offered

the Notice of Overissuance. After hearing, the Department offered the actual budget for June 1, 2009 – December 31, 2009 and the actual budget for January 1, 2010 - with the former reflecting countable unearned income of [REDACTED] and a net benefit amount of [REDACTED] and the latter reflecting countable unearned income of [REDACTED] and a net benefit amount of [REDACTED]. (Exhibit 2)

With the above said, based on the testimony and documentation offered at and after hearing, I find that that the Department established that it acted in accordance with policy in requesting recoupment of an overissuance of FAP benefits to Claimant based on agency error.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department acted in accordance with policy in requesting recoupment of an overissuance of FAP benefits to Claimant based on agency error.

Accordingly, the Department's FAP eligibility determination AFFIRMED, it is SO ORDERED.

/s/
Steven M. Brown
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: February 25, 2010

Date Mailed: February 26, 2010

NOTICE: Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 60 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the receipt of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

SMB/db

cc:

