

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.: 2010-24016
Issue No.: 3052
Case No.: [REDACTED]
Load No.: [REDACTED]
Hearing Date:
April 26, 2010
Macomb County DHS (20)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the Claimant's request for a hearing. After due notice, a telephone hearing was conducted from Detroit, Michigan on April 26, 2010. Claimant appeared and testified. On behalf of Department of Human Services (DHS), [REDACTED], Specialist, appeared and testified.

ISSUE

Whether DHS properly sought \$600 of Food Assistance Program (FAP) benefits from Claimant due to agency error overissuance.

FINDINGS OF FACT

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

1. Claimant was an ongoing FAP recipient.
2. Claimant was given \$200/month in FAP benefits from 11/2009-1/2010.
3. Claimant began employment in 9/2009.

4. Claimant timely reported his employment to DHS.
5. DHS failed to budget Claimant's employment from 11/2009-1/2010.
6. The failure by DHS to budget Claimant's income resulted in \$600 in overpayment of FAP benefits.
7. DHS mailed Claimant a recoupment notice on 2/6/10
8. Claimant submitted a hearing request on 2/17/10 regarding the recoupment of FAP benefits.

CONCLUSIONS OF LAW

The Food Assistance Program (formerly known as the Food Stamp 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 (formerly known as the Family Independence Agency) 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).

An overissuance is the amount of benefits issued to the client group in excess of what they were eligible to receive. BAM 700. Agency error overissuances are overissuances, "caused by incorrect action (including delayed or no action) by DHS or DIT staff or department processes." *Id.*

In the present case, Claimant timely reported starting employment income. DHS failed to timely update Claimant's FAP benefits with the employment income causing an overissuance of FAP benefits. It is found that DHS committed agency error.

The amount of FAP overissuance is found to be correctly calculated at \$600. Claimant received \$200/month in FAP benefits from 11/2009-1/2010 and was entitled to \$0/month in FAP benefits.

Per BAM 700, "Agency error OI's are not pursued if the estimated OI amount is less than \$500 per program." Claimant's overissuance exceeds \$500 and can be recouped by DHS. It is found that DHS properly attempted to recoup \$600 in FAP benefits caused by agency error overissuance.

DECISION AND ORDER

The actions taken by DHS are AFFIRMED. The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly processed a recoupment for \$600 in overissuance of FAP benefits.



Christian Gardocki
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: 4/30/2010

Date Mailed: 4/30/2010

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.

CG/jlg

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cc:

