

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 201142592  
Issue No: 6052  
Case No: [REDACTED]  
Hearing Date: November 1, 2011  
Genesee County DHS

**ADMINISTRATIVE LAW JUDGE:** Christopher S. Saunders

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the Department of Human Services (department) request for a disqualification hearing. After due notice, a telephone hearing was held on November 1, 2011, at which Respondent did not appear. This matter having been initiated by the department and due notice having been provided to Respondent, the hearing was held in Respondent's absence in accordance with Bridges Administrative Manual, Item 725.

**ISSUE**

Whether Respondent committed an Intentional Program Violation (IPV) of the Child Care and Development (CDC) program?

**FINDINGS OF FACT**

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

1. The department's Office of Inspector General (OIG) filed a hearing request to establish an overissuance of benefits received by Respondent as a result of Respondent having committed an Intentional Program Violation (IPV).
2. Respondent completed an application for public assistance on January 14, 2008 (DHS 1171), acknowledging her responsibility to report any changes in her income, resources, or living arrangements to the department within ten days of the change. (Department Exhibits 6-21).
3. Respondent stated that she was in need of CDC benefits due to her job at [REDACTED]. (Department Exhibits 6-21).

4. The Respondent did not inform the department that she was no longer working at [REDACTED] until she submitted a SER application on November 3, 2009. (Department Hearing Summary).
5. The department later determined through employment verifications that the Respondent had not worked at [REDACTED] since February 27, 2009. (Department Exhibits 23-24).
6. Although the Respondent was no longer employed, CDC benefits continued to be issued on her behalf. (Department Exhibits 25-26).
7. As a result of benefits still being paid on the Respondent's behalf while she was no longer employed, the Respondent received an overissuance of CDC benefits in the amount of [REDACTED] for the period of March 1, 2009 through April 30, 2009 and July 1, 2009 through November 30, 2009. (Department Exhibits 25-26).
7. Respondent has no apparent physical or mental impairment that would limit the understanding or ability to fulfill the reporting responsibilities.
8. Respondent had not committed any previous intentional program violations.
9. Respondent was clearly instructed and fully aware of the responsibility to report true and accurate information to the department.

### **CONCLUSIONS OF LAW**

The Child Development and Care program is established by Titles IVA, IVE, and XX of the Social Security Act, the Child Care and Development Block Grant of 1990, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The program is implemented by Title 45 of the Code of Federal Regulations, Parts 98 and 99. The Department of Human Services (DHS or Department) provides services to adults and children pursuant to MCL 400.14(1) and MAC R 400.5001-5015. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), Reference Table Manual (RFT), and the Bridges Reference Manual (BRM).

In this case, the department has requested a hearing to establish an overissuance of benefits as a result of an IPV. The department's manuals provide the following relevant policy statements and instructions for department caseworkers.

When a customer client group receives more benefits than they are entitled to receive, the department must attempt to recoup the overissuance. BAM 700. A suspected intentional program violation means an overissuance where:

- 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.

The department suspects an intentional program violation when the client has intentionally withheld or misrepresented information for the purpose of establishing, maintaining, increasing, or preventing reduction of program benefits or eligibility. There must be clear and convincing evidence that the client acted intentionally for this purpose. BAM 720.

The department's Office of Inspector General processes intentional program hearings for overissuances referred to them for investigation. The Office of Inspector General represents the department during the hearing process. The Office of Inspector General requests intentional program hearings for cases when:

- benefit overissuances are not forwarded to the prosecutor.
- prosecution of welfare fraud is declined by the prosecutor for a reason other than lack of evidence, and
  - the total overissuance amount is \$1000 or more, or
  - the total overissuance amount is less than \$1000, and
    - the group has a previous intentional program violation, or
    - the alleged IPV involves FAP trafficking, or
    - the alleged fraud involves concurrent receipt of assistance,
    - the alleged fraud is committed by a state/government employee.

A court or hearing decision that finds a client committed an intentional program violation disqualifies that client from receiving program benefits. A disqualified recipient remains a member of an active group as long as he lives with them. Other eligible group members may continue to receive benefits. BAM 720.

In the case at hand, the Respondent committed an intentional program violation by continuing to receive CDC benefits while she was not working and therefore not in need of said benefits. The Respondent was under an obligation to inform the department of any changes regarding her employment or her living situation and did not inform the

department of the change in her employment situation while continuing to collect benefits

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds clear and convincing evidence that the Respondent committed an Intentional Program Violation of the CDC program.

It is HEREBY ORDERED that the Respondent shall reimburse the department for CDC benefits ineligibly received in the amount of [REDACTED].

/s/ \_\_\_\_\_  
Christopher S. Saunders  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: November 2, 2011

Date Mailed: November 3, 2011

**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.

CSS/cr

cc:

[REDACTED]