

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: 2010-5430

Issue No: 3020

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

April 8, 2010

Genesee County DHS

ADMINISTRATIVE LAW JUDGE: Jana A. Bachman

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 held on April 8, 2010.

ISSUE

Whether claimant was overissued State Disability Assistance (SDA) benefits.

FINDINGS OF FACT

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

(1) During December 2008 though May 2009, claimant was a recipient of SDA benefits. Claimant reported earned income at application. Department Exhibit #1.

(2) On or about May 2009, the department discovered that claimant's income was not included when her eligibility had been determined. Proof of claimant's earned income was obtained. Department Exhibit #2-#3.

(3) On or about August 2009, the department prepared corrected SDA budgets for the months December 2008 through May 2009 including the countable earned income. Department Exhibit #4-5.

(4) Corrected budgets revealed that claimant was overissued ██████████ in SDA benefits to which she was not entitled. Department Exhibit #6.

(5) On or about August 2009, the department sent claimant written notice indicating that claimant was overissued ██████████ in SDA benefits due to agency error. The department requested that claimant sign a repay agreement. Department Exhibit #7.

(6) On or about August 2009, claimant requested a timely hearing to protest the recoupment. Department Exhibit #8.

(7) As of the date of hearing, claimant's SDA benefit case is closed.

(8) Claimant did not appear at hearing. At hearing, the department requested a debt collection hearing.

(9) Agency error overissuance is established. Claimant owes the department ██████████ in SDA benefits that she was not eligible to receive.

(10) The department is entitled to collect the SDA overissuance.

#### CONCLUSIONS OF LAW

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department of Human Services (DHS or

department) administers the SDA program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3151-400.3180. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

Department manuals provide the following policy statements and instructions for caseworkers:

When a client group receive more benefits than they are entitled to receive, the department must attempt to recoup the overissuance. Bridges Administrative Manual (BAM) 700; Annual Appropriations Act.

An agency error overissuance occurs when the department incorrectly determines benefit amounts that result in a client group receiving more than they were entitled. The department is to determine the correct level of benefits when such an error is discovered. The client group must repay SDA overissued benefits in excess of [REDACTED]. BAM 705; Annual Appropriation Act.

In this case, claimant was an active recipient of SDA during December 2008 through May 2009. Due to agency error, claimant's earned income was not included when the department determined her SDA monthly cash benefit. This agency error resulted in an overissuance of [REDACTED]. The entire balance of [REDACTED] is owed to the department. The department is entitled to take actions to collect this overissuance from claimant.

#### DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that claimant was overissued SDA benefits during December 2008 through

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May 2009 in the amount of [REDACTED]. The entire balance is owed to the department. The department is entitled to take action to collect this debt.

/s/  
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Jana A. Bachman  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: June 15, 2010

Date Mailed: June 15, 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 90 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.

JAB/db

cc: [REDACTED]