

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: 2010-8823

Issue No: 3020

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

January 6, 2010

Kent 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 January 6, 2010.

ISSUE

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

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) Claimant has been receiving [REDACTED]/wk (plus applicable supplements) in [REDACTED] since at least February 7, 2009 (with the exception of receiving

██████ the week ending February 14, 2009) according to documentation provided by the Department at hearing. (Exhibit 2)

(3) Claimant received ██████ in FAP benefits in March 2009 and ██████ in FAP benefits from April through November 2009 according to documentation provided by the Department after hearing. (Exhibits 4, 5)

(4) The Department did not budget any unearned income for Claimant from May through November 2009 according to documentation provided by the Department after hearing. (Exhibit 6)

(5) On October 23, 2009, the Department mailed Claimant a Notice of Case Action reducing his FAP benefit to ██████/mo. effective December 1, 2009 because his net unearned income amount and child support expense deduction had changed. (Exhibit 3)

(6) On October 23, 2009, the Department mailed Claimant a Notice of Overissuance which stated that he was overissued benefits in the amount of ██████ for the months of September, October and November 2009 due to agency error. (Exhibit 1)

(7) On November 2, 2009, the Department received Claimant's hearing request.

#### 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 Agency error overissuances are not pursued if the estimated overissuance is less than [REDACTED] per program. BAM 700, p.6 Client errors occur when the customer gave incorrect or incomplete information to the Department. Client errors are not established if the overissuance is less than [REDACTED] unless the client group is active for the overissuance program or the overissuance is a result of a QC audit finding. BAM 700, p. 4, 5

In the instant case, based on the testimony and documentation received at and after hearing, I find that Claimant received an overissuance of FAP benefits due to agency error. Further, I find that the Department acted in accordance with policy in requesting repayment of the overissuance of FAP benefits to Claimant.

#### 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 repayment of the overissuance of FAP benefits to Claimant.

