

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Respondent,

Reg. No.: 201010740

Issue No.: 3020, 3055

Case No.:

Load No.:

Hearing Date:

May 26, 2010

Kent County DHS

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the Department's request for a hearing. After due notice, a telephone hearing was conducted from Detroit, Michigan on May 26, 2010. The Respondent did not appear at the hearing, and it was held in respondent's absence pursuant to 7 CFR 273.16(e), MAC R 400.3130(5), or MAC R 400.3187(5). [REDACTED], OIG representative appeared on behalf of the Department.

ISSUE

Whether respondent committed an Intentional Program Violation (IPV) and whether the respondent received an overissuance of benefits that the Department is entitled to recoup?

FINDINGS OF FACT

The Administrative Law Judge, based upon the competent, material, and substantial evidence on the whole record, finds a 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 IPV. The OIG also requested that respondent be disqualified from receiving program benefits.

2. Respondent was a recipient of FAP benefits during the period of 3/1/2005 through 1/1/2008.
3. Respondent was a recipient of SER benefits during the period of 4/1/2005 through 11/30/2006.
4. Respondent was aware of the responsibility to report that she was married and was employed, and had no apparent physical or mental impairment that would limit the understanding or ability to fulfill this requirement.
5. Respondent did not report that she was married and was employed.
6. As a result of the failure to report employment, respondent committed an IPV and received an overissuance of benefits.
7. As a result, respondent received overissuances in the amount of \$11,270 under the FS/FAP program and \$1,746 under the SER program.
8. The Department has established that respondent committed an IPV.
9. This was respondent's first Intentional Program Violation.
10. A notice of disqualification hearing was mailed to respondent at the last known address.

CONCLUSIONS OF LAW

The Food Assistance Program, 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"), formerly known as the Family Independence Agency, 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 Program Reference Manual (“PRM”).

The State Emergency Relief (“SER”) program is established by 2004 PA 344. The SER program is administered pursuant to MCL 400.10, *et seq.* and by final administrative rules filed with the Secretary of State on October 28, 1993. MAC R 400.7001-400.7049. The Department of Human Services’ [formerly known as the Family Independence Agency] policies are found in the State Emergency Relief Manual (“ERM”).

When a client group receives more benefits than they are entitled to receive, DHS must attempt to recoup the over issuance (OI). BAM 700, p. 1. DHS must inform clients of their reporting responsibilities and prevent OIs by following BAM 105 requirements informing the client of the requirement to promptly notify DHS of all changes in circumstances within 10 days. BAM 700, BAM 105. Incorrect, late reported or omitted information causing an OI can result in cash repayment or benefit reduction.

An Intentional Program Violation (IPV) is suspected when there is clear and convincing evidence that the client has intentionally withheld or misrepresented information for the purpose of establishing, maintaining, increasing or preventing reduction of program benefits or eligibility. PAM 720, p. 1. The Federal Food Stamp regulations read in part:

(6) Criteria for determining intentional program violation. The hearing authority shall base the determination of intentional program violation on clear and convincing evidence which demonstrates that the household member(s) committed, and intended to commit, intentional program violation as defined in paragraph (c) of this section. 7 CFR 273.16(c)(6).

For FAP, the IPV exists when an administrative hearing decision, a repayment and disqualification agreement or court decision determines FAP benefits were trafficked. BAM

720, p. 2. The amount of the OI is the amount of benefits the group or provider actually received minus the amount the group was eligible to receive. BAM 720, p. 6.

In the present case, the Department has established that respondent was aware of the responsibility to report that she was married, and employed, and had no apparent limitations to fulfilling this requirement. The respondent failed to report that she was married and employed. In an affidavit, Respondent admitted that she did not report her marriage “because I didn’t think the marriage would last”. As a result, respondent committed an IPV and was overissued FS/FAP benefits and SER benefits.


Under the aforementioned policy, respondent is to be disqualified from FAP/FS programs for one year.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that respondent committed an IPV with regard to the FAP program and received overissuances in program benefits.

It is ORDERED that respondent be disqualified from the FAP program for 1 year.

It is further ORDERED that the Department recoup for overissuances in FAP benefits in the amount of \$11,270.00 and in State Emergency Relief payments in the amount of \$1,746.

/s/ 

Aaron McClintic
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

201010740/AM

Date Signed: June 16, 2010

Date Mailed: June 16, 2010

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.

AM/htw

cc:

