

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Reg. No:

[REDACTED]

[REDACTED]

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge by authority of MCL 400.9 and MCL 400.37 upon a request from the Department of Human Services (Department) to schedule a hearing for an alleged intentional program (IPV). Respondent did not appear at the hearing, which was held on Wednesday, April 6, 2011, in Respondent's absence pursuant to 7 CFR 273.16(e), MAC R 400.3130(5), or MAC R 400.3187(5).

**ISSUE**

Did the Respondent commit a Medical Assistance (MA) and Food Assistance Program (FAP) intentional program violations (IPV)?

**FINDINGS OF FACT**

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

1. The Respondent received Food Assistance Program (FAP) from [REDACTED]  
[REDACTED]
2. The Respondent was a resident of West Virginia from [REDACTED]  
through [REDACTED]
3. Respondent was aware of the responsibility to report to the Department all changes in her circumstances that would affect her eligibility to receive benefits and had no apparent physical or mental impairment that would limit the understanding or ability to fulfill this requirement.
4. Respondent was a resident of West Virginia from [REDACTED] through [REDACTED] and used her FAP and MA benefits outside Michigan during this period.

5. Respondent did not report her change of residence to West Virginia.
6. Respondent failed to report her change of residence for the purposes of receiving benefits issued by the State of Michigan that Respondent was not entitled to receive.
7. As a result, Respondent received overissuances in the amount of [REDACTED] under the Medical Assistance (MA) program, and [REDACTED] under the FAP program.
8. This was Respondent's first intentional program violation.
9. A notice of the disqualification hearing was mailed to the Respondents at the last known address, and it was not returned by the U.S. Postal Service as undeliverable.
10. Prosecution of the Respondent was denied on [REDACTED], and the case was referred to the Office of Inspector General.

### **CONCLUSIONS OF LAW**

The Food Assistance Program (FAP) (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 (DHS or Department), 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), Reference Table Manual (RFT), and the Bridges Reference Manual (BRM).

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 [REDACTED] or
  - the total overissuance amount is less than [REDACTED] 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.

Clients that commit an intentional program violation are disqualified for a standard disqualification period except when a court orders a different period. Clients are disqualified for periods of one year for the first IPV, two years for the second IPV, lifetime disqualification for the third IPV, and ten years for a concurrent receipt of benefits. BAM 720.

This is the Respondent's first violation.

In this case, the Respondent signed an application for MA and FAP benefits on [REDACTED]. Respondent's signature on this document certifies an awareness that fraudulent participation in FAP and MA could result in criminal or civil or administrative claims. The Respondent had no apparent physical or mental impairment

that would limit the understanding or ability to fulfill the requirements of the MA and FAP programs.

The Respondent received FAP benefits from [REDACTED] 2008 [REDACTED]. The Respondent was a resident of [REDACTED] from [REDACTED], through [REDACTED] and failed to report a change of her residence for the purposes of receiving benefits that Respondent was not entitled to receive. The Respondent received overissuances in the amount [REDACTED] under the FAP program and an overissuance in the amount of [REDACTED] under the Medical Assistance (MA) program. The Department properly requested that the Respondent be disqualified from participation in the FAP program for one year.

**DECISION AND ORDER**

The Administrative Law Judge, based upon the clear and convincing evidence on the whole record, decides the following:

1. The Respondent committed a first intentional program violation of the Medical Assistance (MA) and Food Assistance Program (FAP).
2. The Department is entitled to recoup a Medical Assistance (MA) overissuance of [REDACTED]
3. The Respondent is ordered to reimburse the Department for the overissuance.
4. The Respondent is disqualified from participation in the Food Assistance Program (FAP) for one year.

\_\_\_\_\_/s/\_\_\_\_\_  
[REDACTED]

Date Signed: [REDACTED] \_\_\_\_\_

Date Mailed: [REDACTED] \_\_\_\_\_

