

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: 201049488  
Issue No: 1030  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
September 21, 2010  
Muskegon County DHS

**ADMINISTRATIVE LAW JUDGE:** Kevin Scully

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge by authority of MCL 400.9 and MCL 400.37. Claimant's request for a hearing was received on June 28, 2010. After due notice, a telephone hearing was held on Tuesday, September 21, 2010.

**ISSUE**

Whether the Department of Human Services (Department) properly determined that the Claimant received an overissuance of Family Independence Program (FIP) 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. The Claimant is an ongoing FIP recipient as a group of five.
2. Due to Department error, the Claimant's earned income was not used to determine her FIP grant for May of 2010.
3. The Claimant received a FIP grant of \$[REDACTED] in May of 2010.
4. The Department received the Claimant's request for a hearing on June 28, 2010, protesting the recoupment of her FIP grant.

## CONCLUSIONS OF LAW

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 USC 601, et seq. The Department of Human Services (DHS or Department) administers the FIP program pursuant to MCL 400.10, et seq., and MAC R 400.3101-3131. The FIP program replaced the Aid to Dependent Children (ADC) program effective October 1, 1996. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), Reference Table Manual (RTM), and the Bridges Reference Manual (BRM).

An overissuance is the amount of benefits issued to the client group in excess of what they were eligible to receive. BAM 705. The amount of the overissuance is the amount of benefits the group actually received minus the amount the group was eligible to receive. BAM 720. When a client group receives more benefits than they are entitled to receive, the Department must attempt to recoup the overissuance. BAM 700.

Department errors are caused by incorrect actions by the Department. BAM 705. Department error overissuances are not pursued if the estimated overissuance is less than \$ [REDACTED] per program. BAM 700. 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 quality control audit finding. BAM 700.

On March 3, 2010, the Department discovered that the Claimant's earned income was not being used to determine her monthly FIP grant. The Department did not use this income to determine the Claimant's eligibility for FIP benefits due to problems with the Department's Bridges computer system. The Claimant's caseworker submitted a help ticket to solve the problem on March 3, 2010, and May 10, 2010.

Due to Department error caused by difficulties with its computer system, the Department failed to consider income the Claimant had reported in its FIP eligibility determination for May of 2010. The FIP payment standard for a group of five is \$ [REDACTED] and with no income being considered, the Claimant received a FIP grant of \$ [REDACTED] for May of 2010.

Families receive EFIP for up to six months, with a grant of \$ [REDACTED] when loss of FIP eligibility relates to income from employment of a FIP program group member. BEM 519. Because the Claimant received a FIP grant of \$ [REDACTED] when she was eligible to receive a FIP grant of \$ [REDACTED] the Claimant received a \$ [REDACTED] FIP overissuance, which the Department is required to recoup.

Based on the evidence and testimony available during the hearing, the Department has established that the Claimant received a FIP overissuance of \$ [REDACTED] for May 2010.

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department properly determined that the Claimant received a \$684 FIP overissuance caused by Department error.

The Department's recoupment of the FIP overissuance is AFFIRMED. It is SO ORDERED.

\_\_\_\_\_/s/

Kevin

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

Date Signed: October 11, 2010

Date Mailed: October 12, 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 60 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.

KS/alc

cc:

