

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

██████████

Claimant,

Reg No: 2010-8701

Issue No: 3020

Case No: ██████████

Load No: ██████████

Hearing Date:

January 5, 2010

Lapeer 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 ██████████ on January 5, 2010.

ISSUE

Whether Claimant received an overissuance of FAP benefits as a result of agency or client error?

FINDINGS OF FACT

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

(1) December 22, 2005, the Department received Claimant's Semi-Annual Contact Report which stated – "Has any household member had a change in his/her legal obligation to pay ██████████ – No, going back to court again on ██████████" (Exhibit 1)

(2) January 5, 2006, the Department received Claimant's application for benefits (cash and Medicaid) which stated – "[REDACTED]" – No, supposed to – Court hearing was "[REDACTED]". (Exhibit 2)

(3) Claimant stopped receiving "[REDACTED]" for a time period in "[REDACTED]" which was reported to her worker and verified by the Department.

(4) On "[REDACTED]", the Department verified that Claimant began receiving "[REDACTED]" again on "[REDACTED]", but contends that she did not report it to her worker. (Exhibit 4)

(5) Claimant contends that she reported receiving "[REDACTED]" to her worker several times during the time period in question.

(6) Claimant received "[REDACTED]" in July ([REDACTED]), August ([REDACTED]), September ([REDACTED]), October ([REDACTED]), November ([REDACTED]) and December ([REDACTED]). (Exhibit 3)

(7) As a result of Claimant's "[REDACTED]" income not being included in her FAP budget, Claimant was overissued FAP benefits in the amount of "[REDACTED]" for the period of "[REDACTED]". (Exhibit 6)

(8) On October 2, 2009, the Department mailed Claimant a Notice of Overissuance which explained that she was overissued benefits in the amount of "[REDACTED]" due to client error. (Exhibit 7)

(9) On , 2009, the Department received Claimant's hearing request protesting the Department's request for repayment of the overissuance. (Exhibit 8)

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, Claimant acknowledged that she was overissued FAP benefits during the time period in question. She just did not believe it should be a client error because she reported receiving [REDACTED] on several occasions to her worker. The

Department did not have an issue with classifying the overissuance as being a result of an agency error, but the overissued benefits still needed to be recouped.

With the above said, I find that the Department acted in accordance with policy in requesting repayment of an 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 an overissuance of FAP benefits to Claimant.

Accordingly, the Department's FAP eligibility determination is AFFIRMED, it is SO ORDERED.

/S/

Steven M. Brown
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: January 6, 2010

Date Mailed: January 6, 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.

2010-8701/smb

SMB/db

cc:

