

STATE OF MICHIGAN
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

██████████
████████████████████
██████████

Reg. No: 201124693
Issue No: 1030
Case No: ██████████

Hearing Date:
May 26, 2011
Genesee 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 March 15, 2011. After due notice, a telephone hearing was held on Thursday, May 26, 2011.

ISSUE

Whether the Department of Human Services (Department) properly determined that the Claimant's 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 was an ongoing Family Independence Program (FIP) recipient from December 1, 2010, through January 31, 2011.
2. The Claimant reported to the Department on September 17, 2010, that group member ██████. had left her residence.
3. Due to Department error, the Department failed to reevaluate the Claimant's eligibility for Family Independence Program (FIP) with group member ██████. not in the group. The Claimant received Family Independence Program (FIP) benefits totaling \$1,388, when she would have been eligible for \$1,194 if the Department had properly removed group member ██████. from her benefits group.
4. On March 9, 2011, the Department notified the Claimant that she had received an overissuance of Family Independence Program (FIP) benefits totaling \$194.

5. The Department received the Claimant's request for a hearing on March 15, 2011, protesting the recoupment of Family Independence Program (FIP) benefits. The request was received 6 days after the Department sent its notice of case action.

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 (RFT), 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 \$125 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 \$125 unless the client group is active for the overissuance program, or the overissuance is a result of a quality control audit finding. BAM 700.

The Claimant was a Family Independence Program (FIP) recipient from December 1, 2010, through January 31, 2011. The Claimant received Family Independence Program (FIP) benefits totaling \$1,388 during this period.

On September 17, 2010, the Claimant reported to the Department that group member [REDACTED] had left her residence.

Due to Department error, the Department failed to reevaluate the Claimant's eligibility for Family Independence Program (FIP) benefits with group member [REDACTED] no longer in the benefit group. As a result, the Claimant would have been eligible to receive Family Independence Program (FIP) benefits totaling \$1,194 with group member [REDACTED] removed from the benefit group. Therefore, the Claimant received a total of \$194 that she was not entitled to receive.

The Claimant argued that she fulfilled her reporting duties, and that she should not be required to pay for the Department's error.

However, the Department is required to recoup benefits issued in error, even when the Department is the cause of the problem. In this case, the overissuance of benefits was caused by the Department's failure to remove a member from the Claimant's group. Department policy requires that the Claimant reimburse the Claimant for any benefits she received but is not eligible for.

Therefore, based on the evidence and testimony available during the hearing, the Department has established that the Claimant received an overissuance of Family Independence Program (FIP) benefits totaling \$194 that the Department is entitled to recoup.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the Department has established that the Claimant currently owes \$194 in Family Independence Program (FIP) overissuances caused by a Department error.

Accordingly, the Department's actions are **AFFIRMED** and this case is returned to the local office with instructions to the Department to promptly initiate recoupment action or other policy-sanctioned efforts in that regard. SO ORDERED.

/S/ _____
Kevin Scully
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: May 27, 2011

Date Mailed: May 27, 2011

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/tg

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cc:

