

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201125012
Issue No.: 4060
[REDACTED]
Hearing Date: October 5, 2011
Branch County DHS

Administrative Law Judge: Suzanne D. Sonneborn

HEARING DECISION

This matter is before the undersigned Administrative Law Judge in accordance with 7 CFR 273.18, 45 CFR 233.20(a)(13), MCL 400.9, MCL 400.37, MCL 400.43(a), MCL 24.201, *et seq.*, and 1999 AC, R 400.941, upon a hearing request by the Department of Human Services (the Department) to establish a debt based on a claimed overissuance of benefits to Respondent. Following due notice mailed to Respondent, a hearing was held on October 5, 2011; Respondent appeared and provided testimony. The Department was represented by agency personnel.

ISSUE

Whether Respondent received an overissuance (OI) of Food Assistance Program (FAP) benefits?

FINDINGS OF FACT

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

1. Respondent was a recipient of FAP benefits at all times relevant to this hearing.
2. On September 7, 2010, Respondent timely reported her husband's earned employment income to the Department, however the Department erroneously failed to include this change in Respondent's budget, resulting in an overissuance of FAP benefits to Respondent during the period September 2010 through December 2010 in the amount of [REDACTED]. (Department Exhibits 27-28, 44-45, 46-53).
3. The OI amount of [REDACTED] is still due and owing to the Department.

4. On February 10, 2011, the Department notified Respondent that she was responsible for repaying the [REDACTED] in FAP benefits that she received due to Department error and to which she was not entitled based on the amount of her household's earned income. (Department Exhibit 55).
5. On February 28, 2011, the Department received Respondent's hearing request. (Hearing Summary).

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 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) 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.

In this case, Respondent was an ongoing FAP recipient in 2010 and received an overissuance of FAP benefits in the amount of [REDACTED] from September 2010 through December 2010. Specifically, Respondent's husband began employment in September 2010 and, while Respondent timely reported this change, the Department erroneously failed to include it in Respondent's budget. Consequently, this earned income was not used to determine Respondent's eligibility for FAP benefits, resulting in Respondent receiving a total FAP overissuance of [REDACTED].

Based upon the above Findings of Fact and Conclusions of Law, and the evidence and testimony provided during the hearing, the Administrative Law Judge concludes that the Department properly determined that Respondent received a [REDACTED] OI of FAP benefits.

DECISION AND ORDER

Accordingly, the Department is AFFIRMED with respect to the overissuance and the Department is ORDERED to initiate collection procedures in accordance with Department policy.

It is SO ORDERED.

/s/

Suzanne D. Sonneborn
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: October 5, 2011

Date Mailed: October 5, 2011

NOTICE: The law provides that within 60 days from the mailing date of the above hearing Decision the Respondent may appeal it to the circuit court for the county in which he/she resides or has his or her principal place of business in this state, or in the circuit court for Ingham County. Administrative Hearings, on its own motion, or on request of a party within 60 days of the mailing date of this Hearing Decision, may order a rehearing.

Claimant may request a rehearing or reconsideration for the following reasons:

- A rehearing **MAY** be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.
- A reconsideration **MAY** be granted for any of the following reasons:
 - misapplication of manual policy or law in the hearing decision,
 - typographical errors, mathematical error, or other obvious errors in the hearing decision that effect the substantial rights of the claimant:
 - the failure of the ALJ to address other relevant issues in the hearing decision.

Request must be submitted through the local DHS office or directly to MAHS by mail at
Michigan Administrative hearings
Reconsideration/Rehearing Request
P. O. Box 30639
Lansing, Michigan 48909-07322

SDS/db

cc:

