

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

IN THE MATTER OF:



Reg. No: 201144309  
Issue No: 6052, 3055  
Case No: [REDACTED]  
Hearing Date: November 1, 2011  
Genesee County DHS

**ADMINISTRATIVE LAW JUDGE:** Christopher S. Saunders

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the Department of Human Services (department) request for a disqualification hearing. After due notice, a telephone hearing was held on November 1, 2011, at which Respondent did not appear. This matter having been initiated by the department and due notice having been provided to Respondent, the hearing was held in Respondent's absence in accordance with Bridges Administrative Manual, Item 725.

**ISSUE**

Whether Respondent committed an Intentional Program Violation (IPV) of the Child Care and Development (CDC) program and the Food Assistance Program (FAP)?

**FINDINGS OF FACT**

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

1. The department's Office of Inspector General (OIG) filed a hearing request to establish an overissuance of benefits received by Respondent as a result of Respondent having committed an Intentional Program Violation (IPV); the OIG also requested that Respondent be disqualified from receiving program benefits.
2. Respondent completed an application for public assistance on April 18, 2006 (DHS 1171), acknowledging her responsibility to report any changes in her income, resources, or living arrangements to the department within ten days of the change. (Department Exhibits 6-13).
3. The Respondent's EBT purchase history shows that she began using all of her food benefits in the state of Arizona beginning on October 4, 2006. (Department Exhibits 14-15).

4. The Respondent's landlord informed the department on March 1, 2007 that the Respondent had moved to Arizona a few months ago. (Department Exhibit 16).
5. The Respondent did not inform the department that she had moved and continued to use her FAP and CDC benefits after her move. (Department Exhibits 17-21).
6. As a result of the Respondent continuing to use her benefits after she moved to the state of Arizona, the Respondent received an overissuance of CDC benefits in the amount of [REDACTED] for the period of October 1, 2006 through February 28, 2007 and an overissuance of FAP benefits in the amount of [REDACTED] for the period of November 1, 2006 through March 31, 2007. (Department Exhibits 2-3, 17-21).
7. Respondent has no apparent physical or mental impairment that would limit the understanding or ability to fulfill the reporting responsibilities.
8. Respondent had not committed any previous intentional program violations.
9. Respondent was clearly instructed and fully aware of the responsibility to report true and accurate information to the department.

### **CONCLUSIONS OF LAW**

The Child Development and Care program is established by Titles IVA, IVE, and XX of the Social Security Act, the Child Care and Development Block Grant of 1990, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. The program is implemented by Title 45 of the Code of Federal Regulations, Parts 98 and 99. The Department of Human Services (DHS or Department) provides services to adults and children pursuant to MCL 400.14(1) and MAC R 400.5001-5015. 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).

In this case, the department has requested a hearing to establish an overissuance of benefits as a result of an IPV. The department's manuals provide the following relevant policy statements and instructions for department caseworkers.

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 is \$1000 or more, or
  - the total overissuance amount is less than \$1000, 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.

In the case at hand, the Respondent failed to notify the department that she was no longer a resident of the state of Michigan. After leaving the state, she continued to use her FAP benefits and also continued to charge for CDC benefits. The Respondent was not eligible for either CDC or FAP benefits as she was no longer a resident of the state of Michigan. Therefore, the Respondent committed an Intentional Program Violation of the FAP program as well as an intentional program violation of the CDC program. Because this is the Respondent's first IPV of the FAP program, the one year disqualification period for that program is appropriate.

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds clear and convincing evidence that the Respondent committed an Intentional Program Violation of the FAP and CDC programs by failing to notify the department that she was no longer a resident of the state of Michigan and continuing to use her benefits after she was not.

It is HEREBY ORDERED that:

1. The Respondent shall reimburse the department for FAP benefits ineligibly received as a result of her Intentional Program Violation in the amount of 
2. The Respondent shall reimburse the department for CDC benefits ineligibly received as a result of her Intentional Program Violation in the amount of 
3. The Respondent shall be personally ineligible to participate in the FAP program for the period of one year. The disqualification period shall be applied immediately.

/s/ \_\_\_\_\_  
Christopher S. Saunders  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: November 1, 2011

Date Mailed: November 2, 2011

**NOTICE:** The law provides that within 30 days of receipt of the above Decision and Order, the respondent may appeal it to the circuit court for the county in which he/she lives.

CSS/cr

cc:

