

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:



Reg No: 2011-9233
Issue No: 4060, 6019
Case No: [REDACTED]
Hearing Date:
February 3, 2011
Macomb County DHS (20)

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the Department's request for a hearing. After due notice, a telephone hearing was conducted from Detroit, Michigan on February 3, 2011. The Claimant appeared at the hearing and testified. Drema Piech, Recoupment Specialist appeared on behalf of the Department.

ISSUE

Whether the Department is entitled to recoup an over-issuance of Child Development and Care (CDC) benefits received by the Claimant as a result of an agency error?

FINDINGS OF FACT

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

1. From March 28, 2010 through August 28, 2010, the Claimant was a recipient of CDC benefits and received CDC in the amount of \$3,318.02
Exhibit 3D

2. The CDC budgets which calculated these benefits did not include the Claimant's child support income. Exhibits 1A and 1B.
3. The claimant was not eligible to receive CDC for the period in question due to excess income. Exhibits 4A through 4K.
4. The Claimant received an over-issuance of CDC benefits as a result of agency error.
5. At the hearing, the Claimant confirmed the receipt of the CDC benefits for the period in the amount shown on Over-issuance Summary for the months in question. Exhibit 3 D
6. The Department is entitled to a recoupment in the amount of \$3,318.04 for over-issuance of CDC to which the Claimant was not entitled.
7. The Claimant requested a hearing on November 10, 2010, protesting the recoupment as she was not at fault with regard to the over-issuance of CDC which was received by the Department on November 10, 2010.

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 (formerly known as the Family Independence Agency) provides services to adults and children pursuant to MCL 400.14(1) and MAC R 400.5001-5015. Department policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Bridges Program Reference Manual (PRM).

Recoupment

When a client group receives more benefits than they are entitled to receive, DHS must attempt to recoup the over issuance (OI). BAM 700, p. 1. DHS must inform

clients of their reporting responsibilities and prevent over issuances by following BAM 105 requirements informing the client of the requirement to promptly notify DHS of all changes in circumstances within 10 days. BAM 700, PAM 105. Incorrect, late reported or omitted information causing an OI can result in cash repayment or benefit reduction. In this case of the Department admitted Agency error and that the over issuance occurred through no fault of the claimant. At the hearing the Claimant honestly testified that she received the CDC benefits which the Department sought to recoup. The Department met its burden to establish a recoupment in its submission of budgets for the months in questions which demonstrated by clear evidence that the Claimant was not entitled to receive these benefits when her total income was included in the budget, which in this case required the inclusion of child support payments received by the Claimant.

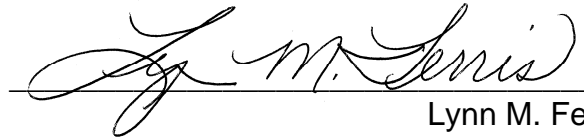
Based upon the foregoing the Department is entitled to recoup \$3,318.02 in CDC benefits received by the Claimant when she was not eligible for benefits which resulted in an over-issuance of CDC benefits based on Agency Error. The Claimant is required to repay the CDC benefits which she received as she was not eligible to receive CDC for the periods in question from March 28, 2010 through August 28, 2010.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department's request for a finding of over-issuance of CDC benefits is AFFIRMED and recoupment of CDC benefits is granted as the Department established that it is entitled to a recoupment of CDC benefits from the Claimant in the amount of \$3,318.02.

Accordingly, it is ORDERED:

The Department is entitled to recoupment of CDC benefits from the Claimant in the amount of \$3,318.



Lynn M. Ferris
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: 02/10/11

Date Mailed: 02/16/11

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 90 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing 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.

LMF/dj

cc:

