

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

IN THE MATTER OF:



Reg. No.: 2012-11643
2011-42460 REHD/RECON
Issue No.: 4060
Case No.: [REDACTED]
Rehearing Date: May 3, 2012
County: Oakland (63-02)

ADMINISTRATIVE LAW JUDGE: Jonathan W. Owens

DECISION AFTER REHEARING

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9, MCL 400.37, and Mich Admin Code Rule 400.919 upon an Order Granting Rehearing of a Hearing Decision generated by the assigned Administrative Law Judge (ALJ) at the conclusion of a hearing conducted on October 5, 2011, and mailed on October 5, 2011, in the above-captioned matter. The date for a new hearing having been assigned and due notice having been provided, a telephone hearing was conducted from Madison Heights, Michigan, on May 3, 2012. Participants on behalf of Claimant included Claimant.

ISSUE

Did Respondent receive an OI of FIP FAP SDA CDC benefits?

FINDINGS OF FACT

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

1. Respondent was a recipient of FIP FAP SDA CDC during the period May 1, 2009, through May 31, 2010.
2. Respondent received a FIP FAP SDA CDC OI during the period May 1, 2009, through May 31, 2010, due to Department's Respondent's error.

CONCLUSIONS OF LAW

Department policies are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT).

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 42 USC 601, *et seq.* The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10, *et seq.*, and 1999 AC, Rule 400.3101 through Rule 400.3131. FIP replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

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 (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, *et seq.*, and 1999 AC, Rule 400.3001 through Rule 400.3015.

The State Disability Assistance (SDA) program, which provides financial assistance for disabled persons, is established by 2004 PA 344. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and 2000 AACS, Rule 400.3151 through Rule 400.3180.

The Child Development and Care (CDC) 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 provides services to adults and children pursuant to MCL 400.14(1) and 1999 AC, Rule 400.5001 through Rule 400.5015.

In the instant case, the Department is seeking to establish a debt based upon a purported OI of FIP benefits. The Department alleges an error made by the Department during budgeting resulted in an OI of FIP benefits. The Department indicated the specific error was a failure to include child support payments in the amount of \$660 in Claimant's FIP budget. Claimant at hearing asserted she had fully complied with all Department requests for information and was told she qualified for FIP benefits. The Department acknowledged the worker failed to include child support payments in the FIP budget.

Upon reviewing the evidence packet submitted by the Department, this Administrative Law Judge (ALJ) found the Department failed to submit any budgets to demonstrate what amounts were used to determine an OI had occurred. The Department must supply a copy of all evidence being relied upon to support the case action to both Claimant and ALJ prior to the hearing. In this case, the Department simply provided the

purported amount of benefits paid and indicated that Claimant was not eligible for these benefits. No evidence of the income or other budget information was submitted for consideration.


The Department failed to demonstrate an OI had occurred. The Department must demonstrate via evidence the amount of debt being requested to be established is correct. Simply providing a document stating an OI is not proof of an OI. Since the Department has failed to demonstrate an OI occurred, the debt establishment request must be DENIED.

Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, the Administrative Law Judge concludes that the Department properly improperly determined that Respondent received a \$2,448 OI of FIP FAP SDA CDC benefits.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, finds that the Department did did not make the correct determination to establish a debt.

Accordingly, the Department request to establish a debt is DENIED.



Jonathan W. Owens
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: May 10, 2012

Date Mailed: May 10, 2012

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.

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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

JWO/pf

cc:

