

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 201216756
Issue No: 4060
Case No: [REDACTED]
Hearing Date: June 6, 2012
Delta 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 claimant's request for a hearing. After due notice, a telephone hearing was held on June 6, 2012. The respondent personally appeared and provided testimony as did her husband.

ISSUE

Did the Respondent receive an overissuance of Food Assistance Program (FAP) 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. Respondent was an active FAP recipient during the period of September 1, 2010 through July 31, 2011.
2. The Respondent's husband's income was not added to her budget for the time period of September 1, 2010 through July 31, 2011.
3. As a result of the income not being included in the Respondent's budget, the Respondent received an overissuance of FAP benefits in the amount of [REDACTED]
4. The entire amount of the overissuance is still due and owing.
5. The Respondent's FAP case was inactive at the time of the Administrative Hearing.

CONCLUSIONS OF LAW

The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code, MAC R 400.901-400.951. An opportunity for a hearing shall be granted to an applicant who requests a hearing because his claim for assistance is denied. MAC R 400.903(1).

Clients have the right to contest a department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The department will provide an administrative hearing to review the decision and determine the appropriateness. BAM 600.

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 of Human Services (DHS or 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 Program Reference Manual (PRM).

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.

Department errors are caused by incorrect actions by the Department of Human Services (DHS) or the Department of Information and Technology staff or department processes. Some examples are available information was not used or was used incorrectly, policy was misapplied, action by local or central office staff was delayed, computer errors occurred, information was not shared between department divisions (services staff, Work First! agencies, etc.) or data exchange reports were not acted upon timely (Wage Match, New Hires, BENDEX, etc.). If the department is unable to identify the type of overissuance, it is recorded as a department error. BAM 705. Department error overissuances are not pursued if the estimated overissuance is less than \$125 per program. BAM 700.

In the case at hand, the department has established that the Respondent received a [REDACTED] FAP overissuance during the period of September 1, 2010 through July 31, 2011. At the hearing, the department initially contended that the overissuance was a result of client error due to the Respondent failing to inform the department that her husband was working and receiving income as a result of that employment. The Respondent testified that she did inform the department of her husband's employment in a timely fashion. Subsequent to the hearing, the department representative faxed a copy of the case worker's phone log which showed that the Respondent did contact the department on August 11, 2010 and stated that her husband had begun working, the date, and where he was working (see ALJ Exhibit 3). Based on the testimony and the evidence contained in the record, the Administrative law Judge finds that the overissuance occurred as a result of an agency error. Therefore, the Administrative Law Judge finds that the Respondent did receive an overissuance of FAP benefits in the amount of [REDACTED] for the time period of September 1, 2010 through July 31, 2011 as a result of agency error.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Respondent was overissued FAP benefits, and there is a current balance due and owing to the department in the amount of \$3,601.00.

Accordingly, the Administrative Law Judge ORDERS that the Respondent shall reimburse the department for FAP benefits ineligibly received, and the department shall initiate collection procedures in accordance with department policy.

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

Date Signed: June 12, 2012

Date Mailed: June 12, 2012

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.

201216756/CSS

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.

CSS/cr

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