

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

IN THE MATTER OF:



Reg. No: 201221535
Issue No: 4060
Case No: [REDACTED]
Hearing Date: May 10, 2012
Genesee County DHS #2

ADMINISTRATIVE LAW JUDGE: Corey A. Arendt

HEARING DECISION

This matter is assigned to me pursuant to 7 CFR 273.18; 45 CFR 233.20(a)(13); MCL 400.9; MCL 400.37; MCL 400.43(a); MAC R 400.941 and MCL 24.201, *et seq.*, upon a hearing request by the Department of Human Services (Department) to establish an overissuance (OI) of benefits to Respondent. After due notice was mailed to Respondent, a hearing was held on May 10, 2012, 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 accordance with Bridges Administrative Manual, Item 725.

ISSUE

Did the Claimant receive an overissuance (OI) of State Disability Assistance (SDA) benefits?

FINDINGS OF FACT

I find as material fact, based upon the competent, material, and substantial evidence on the whole record:

1. On March 2, 2009, the Respondent applied for SDA benefits. Around this time, the Department granted the Claimant SDA benefits.
2. In June of 2009, the Respondent, left a substance abuse treatment center and was no longer eligible for SDA benefits. The Department failed to close the Respondents SDA case resulting in an OI of [REDACTED] for the time period of August 2009 through December of 2009.
3. The amount of [REDACTED] is still due and owing to the Department.

CONCLUSIONS OF LAW

The SDA program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department administers the SDA program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3151-400.3180. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Bridges Reference Manual (BRM).

Departmental policy, states that when the client group receives more benefits than the group is entitled to receive, the Department must attempt to recoup the OI. Repayment of an OI is the responsibility of anyone who was an eligible, disqualified, or other adult in the program group at the time the OI occurred. Bridges will collect from all adults who were a member of the case. OIs on active programs are repaid by lump sum cash payments, monthly cash payments (when court ordered), and administrative recoupment (benefit reduction). OI balances on inactive cases must be repaid by lump sum or monthly cash payments unless collection is suspended. BAM 725.

In this case, the Department admitted they did not follow their own policies in closing the Respondent's SDA case. This resulted in an OI of SDA benefits to the Respondent. Regardless of fault, the Department must attempt to recoup the OI.

However, during the hearing, the Department alleged there was another OI in the amount of \$269 that also arose from the Department's failure to take some sort of action in correcting an incidental monthly allowance amount. That being said, the Department failed to provide any evidence of the \$269 OI. Therefore, I will affirm and find an OI outstanding as it relates to the \$538 but will not find an OI regarding \$269.

I find the evidence presented by the Department shows the Respondent received more benefits than he was entitled to receive. Therefore, Respondent is responsible for repayment of the OI.

DECISION AND ORDER

I, based upon the above findings of fact and conclusions of law, decide the Respondent received an OI of SDA benefits for the time period of August 2009 through December 2009. The Department is entitled to recoup those OI benefits.

The Department is therefore entitled to recoup an SDA OI of [REDACTED] from the Respondent.

The Department shall initiate collection procedures in accordance with Department policy.

/s/ _____
Corey A. Arendt
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: May 11, 2012

Date Mailed: May 11, 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.

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.

CAA/cr

cc:

[REDACTED]