

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201221981
Issue No.: 3021
Case No.: [REDACTED]
Hearing Date: February 1, 2012
County: Wayne (55)

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claimant's request for a hearing. After due notice, a telephone hearing was held on February 1, 2012, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and [REDACTED], [REDACTED]. Participants on behalf of Department of Human Services (Department) included [REDACTED] Assistance Payment Supervisor, and [REDACTED] Assistance Payment Worker.

ISSUE

Did the Department properly issue a Food Assistance Program (FAP) supplement to Claimant and then recoup and apply it towards an overissuance?

FINDINGS OF FACT

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

1. Claimant is an ongoing FAP recipient.
2. On September 30, 2011, the Department closed Claimant's FAP case based on Claimant's failure to provide requested verifications.
3. On October 26, 2011, the Department reinstated Claimant's FAP case after acknowledging that it had closed the case erroneously.
4. On December 2, 2011, the Department issued a help-desk ticket to Lansing, explaining that Claimant's case had been improperly closed and requesting a supplement to Claimant's FAP benefits for the period from October 1, 2011, to October 26, 2011.
5. On December 19, 2011, Claimant filed a hearing request disputing the Department's actions.

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 Mich Admin Code, R 400.3101 through R 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 Mich Admin Code, R 400.3001 through R 400.3015.

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105.

The Adult Medical Program (AMP) is established by 42 USC 1315, and is administered by the Department pursuant to MCL 400.10, *et seq.*

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, R 400.3151 through R 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 Mich Admin Code, R 400.5001 through R 400.5015.

Additionally, at the hearing the Department acknowledged that Claimant was entitled to a FAP supplement of \$295 for the period from October 1, 2011, when it erroneously closed Claimant's FAP case, and October 26, 2011, when it reinstated Claimant's FAP case. Claimant conceded that she had received ongoing FAP benefits other than the

period between October 1, 2011, and October 26, 2011, and the only amount at issue was the \$295 in FAP benefits for that period. The Department testified, and the evidence supported, that a supplement for \$295 had been issued on January 30, 2012.

However, the Department sent Claimant a Notice of Overissuance on January 24, 2012, informing her of an overissuance of \$782 in FAP benefits for the period between May 1, 2010, and June 30, 2011. The Department's records showed that the Department recouped the \$295 FAP supplement it issued on January 30, 2012, and applied it towards Claimant's outstanding FAP overissuance of \$782. The Department is permitted to automatically offset FAP supplements issued to restore lost benefits against FAP overissuances. BAM 725. Because the Notice of Overissuance was sent on January 24, 2012, prior to the Department's issuance of the \$295 FAP supplement on January 30, 2012, the Department acted in accordance with Department policy when it recouped the supplement and applied it towards Claimant's \$782 overissuance, reducing the outstanding overissuance due by Claimant to \$487.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department

did act properly when it offset Claimant's \$295 FAP supplement against Claimant's \$782 FAP overissuance.

did not act properly when .

Accordingly, the Department's AMP FIP FAP MA SDA CDC decision is AFFIRMED REVERSED for the reasons stated above and on the record.



Alice C. Elkin
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: February 7, 2012

Date Mailed: February 7, 2012

NOTICE: Michigan Administrative Hearing System (MAHS) 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. MAHS 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. (60 days for FAP cases)

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.

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

ACE/cl

cc:

