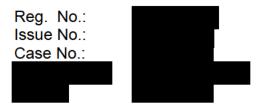
STATE OF MICHIGAN MICHIGAN ADMINISTRATIVE HEARING SYSTEM ADMINISTRATIVE HEARINGS FOR THE DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:





ADMINISTRATIVE LAW JUDGE: Janice G. Spodarek

HEARING DECISION FOR INTENTIONAL PROGRAM VIOLATION

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This matter is before the undersigned Admir and MCL 400.37 upon the Department of Hearing. After due notice, a telephone he . The Department was report Inspector General (OIG).	uman Services' (Department) request for a aring was held on from			
Participants on behalf of Respondent inc	luded: .			
☑ Respondent did not appear at the hearin pursuant to 7 CFR 273.16(e), Mich Admin C400.3178(5).				
<u>ISSUES</u>				
. Did Respondent receive an overissuance (OI) of				
☐ Family Independence Program (FIP) ☐ State Disability Assistance (SDA) ☑ Medical Assistance (MA) benefits that the Department is entitled to	☐ Food Assistance Program (FAP) ☐ Child Development and Care (CDC) recoup?			
Did Respondent commit an Intentional Program Violation (IPV)?				
. Should Respondent be disqualified from receiving				
☐ Family Independence Program (FIP) ☐ State Disability Assistance (SDA)	☐ Food Assistance Program (FAP)☐ Child Development and Care (CDC)?			

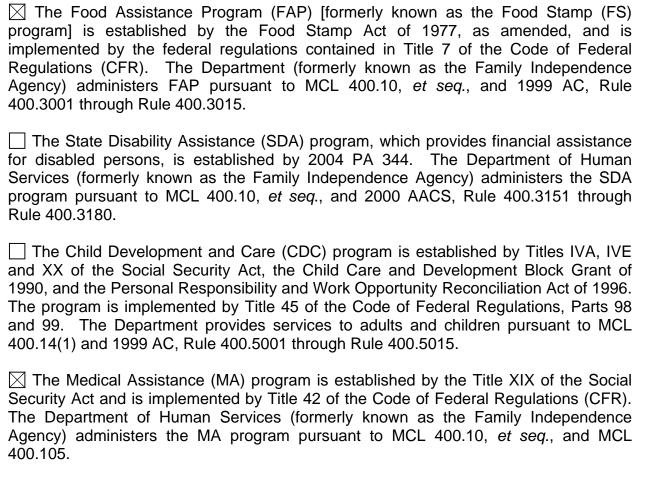
FINDINGS OF FACT

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

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1.	The Department's OIG filed a hearing request on benefits received by Respondent as a result of Respondent having allegedly committed an IPV.	
2.	The OIG \boxtimes has \square has not requested that Respondent be disqualified from receiving program benefits.	
3.	Respondent was a recipient of \square FIP \boxtimes FAP \square SDA \square CDC \boxtimes MA benefits during the period of for both programs.	
4.	Respondent was was not aware of the responsibility to report changes. Pursuant to her signature and affirmation on an application for assistance (DHS 1171) dated	
5.	Respondent had no apparent physical or mental impairment that would limit the understanding or ability to fulfill this requirement.	
6.	The Department's OIG indicates that the time period they are considering the fraud period for the FAP program is from the program from the period they are considering the fraud period for the FAP program is from the period they are considering the fraud period for the FAP program is from the period they are considering the fraud period for the FAP program is from the period they are considering the fraud period for the FAP program is from the period they are considering the fraud period for the FAP program is from the period they are considering the fraud period for the FAP program is from the period they are considering the fraud period for the FAP program is from the period for the FAP program is from the period they are considering the fraud period for the FAP program is from the period for the FAP program is from the period for the period for the FAP program is from the period for the peri	
7.	During the alleged fraud period, Respondent was issued \$1,800 in FAP benefits and \$3,398.22 in MA benefits from the State of Michigan.	
8.	Respondent was entitled to \$0 in $\hfill\Box$ FIP $\hfill\boxtimes$ FAP $\hfill\Box$ SDA $\hfill\Box$ CDC $\hfill\boxtimes$ MA during this time period.	
9.	Respondent did did not receive an OI in the amount of \$5,198.22 under the FIP FAP SDA CDC MA program.	
10	.The Department ⊠ has ☐ has not established that Respondent committed an IPV.	
11	.This was Respondent's ⊠ first ☐ second ☐ third IPV.	
12	A notice of hearing was mailed to Respondent at the last known address and ☐ was ☐ was not returned by the US Post Office as undeliverable.	
CONCLUSIONS OF LAW		
Bri Re 42 Ag thr	partment policies are contained in the Bridges Administrative Manual (BAM), the dges Eligibility Manual (BEM), and the Reference Tables Manual (RFT). The Family Independence Program (FIP) was established pursuant to the Personal sponsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, USC 601, et seq. The Department (formerly known as the Family Independence ency) administers FIP pursuant to MCL 400.10, et seq., and 1999 AC, Rule 400.3101 ough Rule 400.3131. FIP replaced the Aid to Dependent Children (ADC) program ective October 1, 1996.	

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When a client group receives more benefits than they are entitled to receive, the Department must attempt to recoup the OI. BAM 700.

Suspected IPV means an OI exists for which all three of the following conditions exist:

- The client intentionally failed to report information or intentionally gave incomplete or inaccurate information needed to make a correct benefit determination, and
- The client was clearly and correctly instructed regarding his or her reporting responsibilities, and
- The client has no apparent physical or mental impairment that limits his or her understanding or ability to fulfill their reporting responsibilities.

IPV is suspected when there is clear and convincing evidence that the client has intentionally withheld or misrepresented information for the purpose of establishing, maintaining, increasing or preventing reduction of program benefits or eligibility. BAM 720.

The Department's OIG requests IPV hearings for cases when:

- benefit overissuances are not forwarded to the prosecutor,
- prosecution of welfare fraud is declined by the prosecutor for a reason other than lack of evidence, and
- the total overissuance amount is \$1000 or more, or
- the total overissuance amount is less than \$1000, and
 - the group has a previous intentional program violation, or
 - the alleged IPV involves FAP trafficking, or
 - the alleged fraud involves concurrent receipt of assistance.
 - the alleged fraud is committed by a state/government employee.

A court or hearing decision that finds a client committed an IPV disqualifies that client from receiving certain program benefits. A disqualified recipient remains a member of an active group as long as he lives with them. Other eligible group members may continue to receive benefits. BAM 720.

Clients who commit an IPV are disqualified for a standard disqualification period except when a court orders a different period, or except when the overissuance relates to MA. Refusal to repay will not cause denial of current or future MA if the client is otherwise eligible. BAM 710. Clients are disqualified for periods of one year for the first IPV, two years for the second IPV, lifetime disqualification for the third IPV, and ten years for a concurrent receipt of benefits. BAM 720.

Evidence on the record from the department indicates that Respondent continuously

<u>cashed M</u> ichigan FAP I	benefits in the State of	through	
. Under BEM	/I 220, Respondent must be	e a resident of Michigan in ord	der to
receive FAP benefits.	Respondent was not a res	sident and thus, ineligible to re	ceive
these benefits.	·		
Clear and convincing e	evidence on the record furth	ner indicates that Respondent v	was a
beneficiary of Michigan	n's MA program while receiv	ving those benefits while resid	ing in
Illinois from		. Evidence further indi	cates
Respondent failed to re	eport a change in residency.	Under BEM 220, Respondent	must
be a resident of Michi	igan in order to receive MA	A benefits. Respondent was	not a
resident during the frau	d time period and thus, was	ineligible to receive these bene	fits.

DECISION AND ORDER

The Administrative Law Judge, based upon the above clear and convincing evidence, Findings of Facts, Conclusions of Law and for the reasons stated on the record, concludes that:

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1.	Respondent did did not commit an IPV totally \$1,800 for the FAP program and \$3,398.22 for the MA program. Respondent ineligibly received benefits for the FAP program during the period of time from Respondent ineligibly received MA benefits during the period of time from
2.	Respondent 🖾 did 🔲 did not receive an OI of program benefits in the total amount of \$5,198.22 from the following program(s) 🔲 FIP 🖾 FAP 🔲 SDA 🔲 CDC 🔲 MA.
	The Department is ORDERED to initiate recoupment procedures for the amount of 198.22 in accordance with Department policy.
\times	It is FURTHER ORDERED that Respondent be disqualified from
	☐ FIP ☑ FAP ☐ SDA ☐ CDC for a period of ☐ 12 months. ☐ 24 months. ☐ lifetime.
	Janice G. Spodarek Administrative Law Judge for Maura Corrigan, Director Department of Human Services te Signed:
Da	te Malieu.
	<u>OTICE</u> : The law provides that within 30 days of receipt of the above Decision and der, the Respondent may appeal it to the circuit court for the county in which he/she es.
JG	S/jk
cc:	