

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No: 201224616  
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 over issuance of benefits to Respondent. After due notice was mailed to Respondent, a hearing was held on May 10, 2012, at which Respondent did 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**

Whether Respondent received an over issuance (OI) of Food Assistance Program (FAP) benefits that the Department is entitled to recoup?

**FINDINGS OF FACT**

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

1. Respondent was an active FAP recipient from November 2005 through May 2006.
2. On August 31, 2005, the Respondent began working at [REDACTED]
3. On or around August 31, 2005, the Respondent informed the Department about his employment at [REDACTED].
4. From approximately August 31, 2005 through May 2006, the Department failed to budget the Respondent's income from his employment at [REDACTED] [REDACTED], resulting in an OI of benefits in the amount of [REDACTED].

5. From November 2005 through May 2006, the Respondent received [REDACTED] in FAP OI due to Department error.
6. The amount of [REDACTED] is still due and owing to the Department.

### **CONCLUSIONS OF LAW**

The FAP 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 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 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.

An agency error OI is caused by incorrect action (including delayed or no action) by FIA staff or agency processes. Agency error OI's are not pursued if the estimated OI amount is less than \$500 per program. (PAM 700).

I find that more likely than not, the Respondent in this matter did inform the Department regarding his employment with Kroger Co. and therefore the OI was a result of Agency error. That being said, the OI in this matter exceeded \$500 and therefore the Respondent must repay the OI amount regardless of fault.

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 FAP benefits. The Department is entitled to recoup the OI.

The Department is therefore entitled to recoup a FAP 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 of mailing of the above 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.

CAA/cr

cc:

[REDACTED]