

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

IN THE MATTER OF:



Reg. No.: 2012-28422
Issue Nos.: 3000, 3052
Case No.: [REDACTED]
Hearing Date: February 27, 2012
County: Wayne (82-49)

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

SETTLEMENT ORDER

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 27, 2012, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

ISSUE

Did Claimant receive an overissuance (OI) of benefits for:

- | | |
|--|---|
| <input type="checkbox"/> Family Independence Program (FIP)? | <input type="checkbox"/> State Disability Assistance (SDA)? |
| <input checked="" type="checkbox"/> Food Assistance Program (FAP)? | <input type="checkbox"/> Child Development and Care (CDC)? |

FINDINGS OF FACT

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

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

1. Claimant was an ongoing recipient of FIP FAP SDA CDC.
2. The Department alleged that Claimant received a FIP FAP SDA CDC OI during the period December 1, 2010, through September 30, 2011, due to Department's Respondent's error.

3. In a Notice of Overissuance sent to Claimant on December 9, 2011, the Department notified Claimant that she owed the Department an OI balance of \$5,505.
4. On December 15, 2011, Claimant filed a hearing request regarding the OI.

CONCLUSIONS OF LAW

Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), the Reference Tables Manual (RFT), and the State Emergency Relief Manual (ERM).

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 1999 AC, Rule 400.3101 through Rule 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 1999 AC, Rule 400.3001 through Rule 400.3015.

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, Rule 400.3151 through Rule 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 1999 AC, Rule 400.5001 through Rule 400.5015.

The law provides that disposition may be made of a contested case by stipulation or agreed settlement. MCL 24.278(2).

In the present case, Claimant requested a hearing to dispute the Department's action. During the course of the hearing, the parties testified that they had reached a settlement concerning the disputed action. Consequently, the Department agreed to do the following: (i) begin recalculating Claimant's FAP budgets for April 1, 2011, to

September 30, 2011, to remove Claimant's daughter as a member of Claimant's FAP group and to remove Claimant's daughter's income from Claimant's FAP group's income; (ii) provide Claimant with a Verification Checklist (DHS-3503), in accordance with Department policy, seeking verification of Claimant's summer and winter property taxes for 2010 for her shelter; (iii) if Claimant timely provides documentation requested in the VCL to the Department, forward this information to the Recoupment Specialist to recalculate Claimant's FAP overissuance budgets for December 1, 2010, to September 30, 2011, to include updated shelter expenses; (iv) correct the overissuance for December 2010 to reflect the lesser of \$526 or the overissuance amount determined in a recalculated December 2010 FAP budget; (v) use \$458 for Social Security Insurance (SSI) benefits received by Claimant's son in all recalculated FAP budgets; and (vi) notify Claimant in writing of its decision in accordance with Department policy.

As a result of this settlement, Claimant no longer wishes to proceed with the hearing. As such, it is unnecessary for this Administrative Law Judge to render a decision regarding the facts and issues in this case.

DECISION AND ORDER

The Administrative Law Judge concludes that the Department and Claimant have come to a settlement regarding Claimant's request for a hearing.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING:

1. Begin recalculating Claimant's FAP budgets for April 1, 2011, to September 30, 2011, to remove Claimant's daughter as a member of Claimant's FAP group and to remove Claimant's daughter's income from Claimant's FAP group's income;
2. Provide Claimant with a Verification Checklist (DHS-3503), in accordance with Department policy, seeking verification of Claimant's summer and winter property taxes for 2010 for her shelter;
3. If Claimant timely provides documentation requested in the VCL to the Department, forward this information to the Recoupment Specialist to recalculate Claimant's FAP overissuance budgets for December 1, 2010, to September 30, 2011, to include updated shelter expenses;
4. Correct the overissuance for December 2010 to reflect the lesser of \$526 or the overissuance amount determined in a recalculated December 2010 FAP budget;
5. Use \$458 for SSI benefits received by Claimant's son in all recalculated FAP budgets; and

6. Notify Claimant in writing of its decision in accordance with Department policy.



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

Date Signed: March 1, 2012

Date Mailed: March 1, 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.

ACE/pf

cc:

