

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

**IN THE MATTER OF:**



Reg. No.: 2012-41993  
Issue No.: 3052  
Case No.: [REDACTED]  
Hearing Date: April 26, 2012  
County: Kent

**ADMINISTRATIVE LAW JUDGE:** Carmen G. Fahie

**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 Thursday, April 26, 2012 from Lansing, Michigan. Participants on behalf of Claimant included the claimant. Participants on behalf of Department of Human Services (Department) included [REDACTED]

**ISSUE**

Did Claimant receive an overissuance of program benefits that the Department is entitled to recoup?

**FINDINGS OF FACT**

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

1. During the period of September 2011 through March 2012, Claimant received 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).  |
| <input type="checkbox"/> Medical Assistance (MA).                  |   |

2. The Department determined that Claimant received a  
 FIP  FAP  MA  SDA  CDC overissuance in the amount of \$741 during the period of September 2011 through March 2012.

3. The overissuance was due to  Department error.  client error.

4. On March 12, 2012, the Department sent notice of the overissuance and a repayment agreement to Claimant.
5. On March 23, 2012, Claimant filed a hearing request, protesting the Department's recoupment action.

### **CONCLUSIONS OF LAW**

Department policies are found 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 1999 AC, R 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, R 400.3001 through Rule 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 (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105.

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 AACRS, R 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, R 400.5001 through Rule 400.5015.

Additionally, the claimant was laid off and submitted written verification to the department caseworker that her employment had ended. During the hearing, the claimant testified credibly that she had called her department caseworker and told him she was now receiving unemployment compensation benefits (ucb) in August 2011 where she stated that he stated that she did not have to do anything because he could

bet the ucb income off of the system. The UCB benefit was never budgeted and the claimant received an overissuance of FAP benefits that the department claimed was due client error. The claimant reported her ucb income on her semi-annual contact report on December 12, 2011, but the ucb income was still not budgeted due to department error. As a result, the claimant received \$741 overissuance in FAP benefits that the department is entitled to recoup, but the amount is totally due to department's error. The claimant had to leave for work, but was willing to sign a repayment agreement for \$741 overissuance in FAP benefits that the department caseworker would send in the mail for the claimant to sign and send back due to department error.

Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, the Administrative Law Judge concludes that Claimant

did receive an overissuance for  FIP  FAP  MA  SDA  CDC benefits in the amount of \$741 that the Department is entitled to recoup.

did not receive the overissuance for which the Department presently seeks recoupment.

### **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 in determining the FAP overissuance.

did not act properly in determining due to claimant error.

Accordingly, the Department's decision is AFFIRMED in determining the FAP overissuance and  REVERSED determining due to claimant error for the reasons stated on the record.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

- 1) The department is to change the overissuance for the total amount of \$741 to be due to department error.
- 2) Send the claimant a repay agreement in the mail.
- 3) Start recoupment in May 2012.

/S/  
**Carmen G. Fahie**  
Administrative Law Judge  
For Maura Corrigan, Director  
Department of Human Services

Date Signed: 5/7/12

Date Mailed: 5/7/12

**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

CGF/ds

