

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

**IN THE MATTER OF:**

[REDACTED]

Reg No.: 2012-78414  
Issue No.: 3055  
Case No.: [REDACTED]  
Hearing Date: November 14, 2012  
Oakland County DHS (02)

**ADMINISTRATIVE LAW JUDGE:** Colleen M. Mamelka

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge in accordance with 7 CFR 273.16, MCL 400.9, MCL 400.37, and Michigan Admin Code, R 400.3130, on the Department of Human Services' ("Department") request for hearing. After due notice, a telephone hearing was conducted from Detroit, Michigan on Wednesday, November 14, 2012 before Administrative Law Judge Michael Bennane. The Respondent failed to appear and the hearing was held in Respondent's absence in accordance with Bridge's Administrative Manual ("BAM") 720 (August 2012), p 10. The Department was represented by [REDACTED] regulation agent with the Office of Inspector General ("OIG"). This matter is now before the undersigned for a written decision.

**ISSUE**

Whether Respondent committed an intentional program violation ("IPV") involving the Food Assistance Program ("FAP") and whether Respondent received an over-issuance of FAP benefits that the Department is entitled to recoup?

**FINDINGS OF FACT**

Based on the clear and convincing evidence pertaining to the whole record, the Administrative Law Judge finds as material fact:

1. The Respondent submitted a public assistance application seeking FAP benefits on May 19, 2011.
2. The Respondent was a FAP recipient for the period (in part) of October 2011 through April 2012.
3. For the period at issue, October 2011 through April 2012, the Respondent was not a resident of Michigan.

4. The Respondent completed an application for public assistance, acknowledging his responsibility to report changes in circumstances, to include changes in residency to the Department within ten days of the change.
5. The Respondent failed to notify the Department of his change in residency.
6. The Respondent used his Michigan FAP benefits in Tennessee and Georgia for the period of October 2011 through April 2012.
7. As a result, the Respondent received an over-issuance of FAP benefits for the period of October 2011 through April 2012, in the amount of \$1,400.00.
8. The Department sent Respondent written notice of the intentional program violation over-issuance and repayment agreement which the Respondent did not sign.
9. This is Respondent's first intentional program violation or wilful withholding of information needed to determine Respondent's eligibility for public assistance.

### **CONCLUSIONS OF LAW**

The Food Assistance Program, formerly known as the Food Stamp 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 of Human Services, formerly known as the Family Independence Agency, administers the FAP program pursuant to MCL 400.10, *et seq* and MAC R 400.3001-3015. Departmental policies are found in the Bridges Administrative Manual ("BAM"), the Bridges Eligibility Manual ("BEM"), and the Bridges Reference Tables ("RFT").

In this case, the Department requested a disqualification hearing to establish an over-issuance of benefits as a result of an Intentional Program Violation ("IPV"). The Department requests that the Respondent be disqualified from benefits and seek recoupment of the over-issuance. An over-issuance ("OI") occurs when a client group receives more benefits than they are entitled to receive. BAM 700 A claim is the resulting debt created by the over-issuance of benefits. BAM 700 Recoupment is an action to identify and recover a benefit OI. BAM 700 During the eligibility determination and while the case is active, clients are repeatedly reminded of reporting responsibilities through explanation at application/determination interviews, notices and pamphlets, as

well as acknowledgments on the application. BAM 700 Applicants and recipients are required to provide complete and accurate information and to notify the Department of any changes in circumstances that may affect eligibility or benefit amount within 10 days. BAM 105 Incorrect or omitted information causing an OI can result in cash repayment or benefit reduction. BAM 700

To be eligible for benefits, a person must be a Michigan resident. BEM 220 A person is a resident if s/he:

- is not receiving assistance from another state; **and**
- is living in Michigan, except for a temporary absence, **and**
- intends to remain in the state permanently or indefinitely.

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

- The customer **intentionally** failed to report **or intentionally** gave incomplete or inaccurate information needed to make a correct benefit determination, **and**
- The customer was clearing and correctly instructed regarding his or her reporting responsibilities, **and**
- The customer has no apparent physical or mental impairment that limits his or her understanding or ability to fulfill their reporting responsibilities. BAM 720

7 CFR 273.16(c) provides in part that an intentional program violation shall consist of having intentionally:

- (1) made a false or misleading statement, or misrepresented, concealed or withheld facts; or
- (2) committed any act that constitutes a violation of the Food Stamp Act, the Food Stamp Program Regulations, or any State statute for the purpose of using, presenting, transferring, acquiring, receiving, possessing or trafficking of coupons, authorization cards or reusable documents used as part of an automated benefit delivery system (access device).

The Code of Federal Regulations further provides criteria for determining an intentional program violation as:

The hearing authority shall base the determination of intentional Program violation on clear and convincing evidence which demonstrates that the household member(s) committed, and intended to commit, intentional

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Program violation as defined in paragraph (c) of this section. 7 CFR 273.16(e)(6)

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 A recipient found to have committed an intentional program violation is disqualified for one year for the first violation. BAM 720

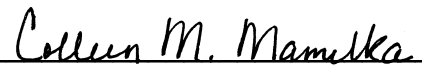
In the record presented, the Department established through clear and convincing evidence that the Respondent lived in Tennessee and Georgia during the period at issue, October 2011 through April 2012, and continued to use his Michigan FAP benefits. There is no evidence on the record of any justifiable excuse for the Respondent's failure to report his change in residency. The Department is entitled to recoup the \$1,400.00 FAP over-issuance for the period from October 2011 through April 2012. This is the Respondent's first intentional program violation, therefore, the 12-month penalty in effect at the time of said violation is applicable.

### **DECISION AND ORDER**

The Department established through clear and convincing evidence the Respondent committed his first FAP IPV for the period of October 2011 through April 2012.

Accordingly, it is ORDERED:

1. The Respondent is personally ineligible to participate in the FAP program for 12 months.
2. The disqualification period shall be applied immediately.
3. The Respondent shall be required to reimburse the Department the FAP benefits ineligibly received in the amount of \$1,400.00 for the period from October 2011 through April 2012.



**Colleen M. Mamelka**

Administrative Law Judge

Acting Manager

For Maura Corrigan, Director  
Department of Human Services

Date Signed: March 18, 2013

Date Mailed: March 18, 2013

**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

CMM/cl

cc:

