

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

IN THE MATTER OF:



Reg. No.: 2013-15682
Issue No.: 4060
Case No.: [REDACTED]
Hearing Date: March 13, 2013
County: Wayne County (82-17)

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

HEARING DECISION FOR DEBT COLLECTION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the Department of Human Services' (Department) request for a hearing. After due notice, a telephone hearing was held on February 19, 2013, from Detroit, Michigan. The Department was represented by [REDACTED]

Participants on behalf of Respondent included:

Respondent did not appear at the hearing and it was held in Respondent's absence pursuant to 7 CFR 273.16(e), Mich Admin Code R 400.3130(5), or Mich Admin Code R 400.3187(5).

ISSUES

1. Did Respondent receive an overissuance (OI) of

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

benefits that the Department is entitled to recoup?

2. Did Respondent commit an Intentional Program Violation (IPV)?

3. Should Respondent be disqualified from receiving

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

FINDINGS OF FACT

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

1. The Department's OIG filed a hearing request on December 6, 2012, to establish an OI of benefits received by Respondent.
2. At the hearing, the OIG affirmed on the record that it was not seeking an Intentional Program Violation.
3. The OIG has has not requested that Respondent be disqualified from receiving program benefits.
4. Respondent was a recipient of FIP FAP SDA CDC MA benefits during the relevant periods at issue.
5. Respondent was was not aware of the responsibility to report changes in circumstances, including address changes, to the Department.
6. Respondent had no apparent physical or mental impairment that would limit the understanding or ability to fulfill this requirement.
7. The Department OIG alleges that the time periods they are considering the periods of OI are: 10/1/2006 to 6/21/2008 (\$23,378); 1/1/2009 to 7/18/2009 (\$8,591). The total OI alleged is \$31,969.
8. During the alleged period, the OIG alleges that Respondent was issued \$31,969 in FIP FAP SDA CDC MA benefits from the State of Michigan.
9. The OIG alleges that Respondent was entitled to \$0 in FIP FAP SDA CDC MA during this time period.
10. Respondent did did not receive an OI in the amount of \$23,377.29 under the FIP FAP SDA CDC MA program.
11. 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

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT). Prior to August 1, 2008, Department policies were contained in the Department of Human Services, Program Administrative Manuals (PAM), Program Eligibility Manual (PEM), and Reference Schedules Manual (RFS).

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 Mich Admin Code, R 400.3101 through R 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 Mich Admin Code, R 400.3001 through R 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 Mich Admin Code, R 400.3151 through R 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 Mich Admin Code, R 400.5001 through R 400.5015.

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 of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105.

Recoupment of Overissuance

When a client group receives more benefits than they are entitled to receive, the Department must attempt to recoup the OI. BAM 700 (December 1, 2011), p. 1. The amount of the OI is the benefit amount the client actually received minus the amount the client was eligible to receive. BAM 720, p. 6; BAM 715 (December 1, 2011), pp. 1, 5; BAM 705 (December 1, 2011), p. 5.

At the hearing, the Department established that \$23,377.29 in CDC benefits were issued by the State of Michigan to Respondent from October 1, 2006, through June 8, 2008, and did not establish that CDC benefits were issued for the period January 1, 2009, to July 18, 2009. Exhibit 1, Item 10, pp. 51-54. The Department alleges that Respondent was eligible for \$0 in CDC benefits during this period.

In support of its CDC OI case, the Department presented Respondent's Verification of Employment that was false as the Federal Identification Number was incorrect and the correct Federal Identification Number was confirmed by the OIG. [REDACTED] confirmed that the person completing the verification did not work at there. Exhibit 1, pp. 39 and 48. On Page 37 of Exhibit 1, Respondent represented in her 1/29/09 application that she was still working as a caregiver at [REDACTED] as a basis for CDC need. The Department presented verification of income information which established that Respondent had not worked for [REDACTED] since September 2006. Further information submitted by [REDACTED] indicated that Respondent worked there from 4/1/06 through 8/1/06. Exhibit 1, pp. 41-44.

In reviewing the evidence submitted to support the OI total, it is noted that Item 10 of Exhibit 1, pp. 51-54, does not cover the entire period of OI and ends as regards each child as of June 8, 2008. The evidence submitted to support the OI total does not support the entire amount but only \$23,377.29. Thus, the Department is only entitled to an OI in that amount and not the \$31, 969 that it sought in its hearing request.

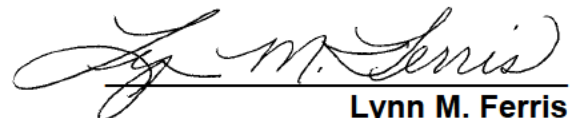
Therefore, the Department is entitled to recoup \$23,377.29 in CDC benefits it issued to Respondent for the period 10/1/06 through 6/21/08 as no proof of receipt of benefits was established beyond that date.

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, concludes that:

Respondent did receive an OI of program benefits in the amount of \$23,377.13 from the following program(s) FIP FAP SDA CDC MA.

The Department is ORDERED to initiate recoupment procedures for the amount of \$23,377.29 in accordance with Department policy.



Lynn M. Ferris
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: March 21, 2013

2013-15682LMF

Date Mailed: March 25, 2013

NOTICE: The law provides that within 30 days of receipt of the above Decision and Order, the Respondent may appeal it to the circuit court for the county in which he/she lives.

LMF/pf

cc:

