

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

IN THE MATTER OF:



Reg. No.: 201326423
Issue No.: 1000
Case No.: [REDACTED]
Hearing Date: May 8, 2013
County: Wayne (15)

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 May 8, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Family Independence Specialist.

ISSUE

Whether the Department properly (1) sought recoupment from Claimant of Family Independence Program (FIP) benefits issued to her in November 2012, (2) issued the amount of FIP benefits Claimant was due in February 2013; and (3) closed Claimant's FIP case effective March 1, 2013.

FINDINGS OF FACT

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

1. The Department erroneously closed Claimant's FIP case effective February 1, 2013.
2. The Department reinstated Claimant's FIP case, and in February 2013, issued \$181 in FIP benefits to Claimant.
3. On February 26, 2013, the Department sent Claimant a Notice of Overissuance informing her that she was overissued \$403 of FIP benefits in November 2012 and that it was pursuing recoupment of FIP benefits.

4. On March 1, 2013, the Department closed Claimant's FIP case for excess income.
5. On January 25, 2013, Claimant failed a request for hearing, noting that she continued receive ongoing notices from the Department notifying her of the closure of her case.

CONCLUSIONS OF LAW

Department policies are found in the Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), Department of Human Services Reference Tables Manual (RFT), and Department of Human Services 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 Mich Admin Code, R 400.3101 through R 400.3131. FIP replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

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's hearing request was dated January 25, 2013. Although the Department's hearing summary addressed the closure of Claimant's FIP case for noncompliance with employment-related activities, it also indicated that Claimant's request for deferral was being processed. However, several actions took place with respect to Claimant's case but no notices of case action were provided with the Department's hearing summary, other than the Notice of Overissuance. While it was unclear what actions the Department had taken prior to Claimant's request for hearing, at the hearing, the Department testified that there were several ongoing errors with Claimant's FIP case and the benefits issued to her. The Department testified that the recoupment notice sent to Claimant seeking to recover FIP benefits paid to her in November 2012 was erroneous, that Claimant was eligible for, and entitled to, \$403 in FIP benefits in February 2013 even though she was only issued \$181 in FIP benefits, and that Claimant's FIP case was improperly closed March 1, 2013.

Soon after commencement of the hearing, the parties testified that they had reached a settlement concerning the disputed action. Consequently, the Department agreed to do the following: (1) begin removing the FIP overissuance amount from Claimant's record for November 2012; (2) begin issuing a FIP supplement to Claimant for February 2013 in the amount of \$222 (the difference between the \$403 she was eligible to receive and the \$181 she actually received); (3) reinstate Claimant's FIP case effective March 1,

2013; (4) begin recalculating Claimant's FIP eligibility and benefit amount for March 1, 2013, ongoing, in accordance with Department policy, excluding any certified child support per BEM 503; (5) issue supplements to Claimant for FIP benefits she was eligible to receive but did not from March 1, 2013, ongoing; and (6) 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 removing the FIP overissuance amount from Claimant's record for November 2012;
2. Begin issuing a FIP supplement to Claimant for February 2013 in the amount of \$222 (the difference between the \$403 she was eligible to receive and the \$181 she actually received);
3. Reinstate Claimant's FIP case effective March 1, 2013;
4. Begin recalculating Claimant's FIP eligibility and benefit amount for March 1, 2013, ongoing, in accordance with Department policy, excluding any certified child support per BEM 503;
5. Issue supplements to Claimant for FIP benefits she was eligible to receive but did not from March 1, 2013, ongoing; 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: 5/16/2013

Date Mailed: 5/16/2013

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)

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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/hw

cc:

