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

IN THE MATTER OF:

		Reg. No.: Issue No.: Case No.: Hearing Date: County:	201338944 3055 June 27, 2013 Ingham County DHS					
ΑĽ	OMINISTRATIVE LAW JUDGE: William A. S	Sundquist						
	HEARING DECISION FOR INTENTION	ONAL PROGRAM V	IOLATION					
an he fro	is matter is before the undersigned Administ d MCL 400.37 upon the Departm ent of Hum aring. After due notice, a telephone heari no m Lansing, Michigan. The Department was e Office of Inspector General (OIG).	nan Servic es' (Depai g was held on Thu <u>rs</u> c	rtment) request for a					
	Participants on behalf of Respondent include	ded:						
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).								
	<u>ISSUE</u>	<u>s</u>						
1.	. Did Respondent receive an overissuance (OI) of							
	☐ Family Independence Program (FIP) ☐ State Disability Assistance (SDA) ☐ Medical Assistance (MA)	☐ Food Assistance☐ Child Development	Program (FAP) ent and Care (CDC)					
	benefits that the Department is entitled to recoup?							
2.	Did Respondent commit an Intentional Program Violation (IPV)?							
3.	Should Respondent be disqualified from receiving							
	☐ Family Independence Program (FIP)☐ State Disability Assistance (SDA)	☐ Food Assistance☐ Child Development	Program (FAP) ent and Care (CDC)?					

FINDINGS OF FACT

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

 The Department's OIG file d a hearing request on April 8, 2013 to establish an OI benefits received by Respondent as a re sult of Responden t having alleged committed an IPV. 	
2. The OIG ⊠ has ☐ has not requested that Resp ondent be dis qualified fr receiving program benefits.	om
 Respondent was a recipient of ☐ FIP ☐ FAP ☐ SDA ☐ CDC ☐ MA bene during the period of May 1, 2012, through March, 2013. 	fits
 Respondent ⋈ was ☐ was not aware of the responsibility to report changes with 10 days in circumstances that potentially affect eligibility on benefit amount. 	hin
 Respondent had no apparent physical or m ental impairment that would limit the understanding or ability to fulfill this requirement. 	Э
The Department's OIG indicates that the time period they are considering the fra period is June, 2012 through March, 2013.	aud
7. During the alleged fr aud period, Respondent was issued \$ in ☐ FIP ☒ F ☐ SDA ☐ CDC ☐ MA benefits from the State of Michigan.	ΆP
8. Respondent was entitled to \$0 in ☐ FIP ☒ FAP ☐ SDA ☐ CDC ☐ MA dur this time period.	ing
9. Respondent ⊠ did ☐ did not receive an OI in the amount of \$ under the ☐ FIP ⊠ FAP ☐ SDA ☐ CDC ☐ MA program.	
10. The Department $oxtimes$ has $oxtimes$ has not established that Respondent committed an IF	٧٠.
11.This was Respondent's ⊠ first □ second □ third IPV.	
12. A notice of hearing was mailed to Respondent at the last known address and ☐ v ☐ was not returned by the US Post Office as undeliverable.	vas

CONCLUSIONS OF LAW

Department policies are contained in the Br idges 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 W ork 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 chrough Rule 400.3131. FIP replaced the Aid to Dependent Children (ADC) program reffective October 1, 1996.
The Food Assistanc e Program (FAP) [form erly known as the Food Stamp (FS) program] is establis hed by the Food St amp Act of 1977, as amend ed, 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 D epartment of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, et seq., and 20 00 AACS, Rule 400.3151 through Rule 400.3180.
The Child Development and Care (CDC) program is establis hed by Titles IVA, IVE and XX of the Soc ial Security Act, the Child Care and Developm ent 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 Fede ral Regulations, Parts 98 and 99. The Depart ment provides servic es to adults and children pursuant to MCL 400.14(1) and 1999 AC, Rule 400.5001 through Rule 400.5015.
☐ The Medical Ass istance (MA) program is es tablished by the Title XIX of the Soc ial 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 Independenc e Agency) administers the MA program pursuant to MCL 400.10, et seq., and MCL 400.105.

When a client group receives more benefits than they are entitled to receive, the Department must attempt to recoup the overissuance (OI). BAM 700 (2013).

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

- The client intentionally failed t o report information or intentionally gave incomplete or inaccurate information needed to make a correct benefit determination, and
- The client was clearly and co rrectly instructed regarding his or her reporting responsibilities, and

 The client has no apparent physical or mental impairment that limits his or her understanding or ability to fulfill their reporting responsibilities.

IPV is sus pected when there is clear and convinc ing evidenc e that the client has intentionally withheld or misr epresented information for the purpose of establishing, maintaining, increasing or preventing reduction of program benefits or eligibility. BAM (2013) 720.

The Department's OIG requests IPV hearings for cases when:

- benefit overissuanc es are not forwarded to the prosecutor,
- prosecution of welfare fraud is declined by the prosecutor for a reason other than lack of evidence, and
- the total overissuance amount is \$1000 or more, or
- the total overissuance amount is less than \$1000, and
 - the group has a previ ous intentional program violation, or
 - the alleged IPV involves FAP trafficking, or
 - the alleged fraud involves c oncurrent receipt of assistance. or
 - the alleged fraud is committed by a state/government employee.

A court or hearing decision that finds a client committed an IP V disqualifies that client from receiving certain program benefits. A disqualified reci pient remains a member of an active group as long as he lives with them. Other eligib le group members may continue to receive benefits. *Id.*

Clients who commit an IPV are disqualified for a standard disqualification period except when a court orders a different period, or except when the OI relates to MA. Refusal to repay will not cause denial of current or future MA if the culient is otherwise eligible. BAM (2009) 710. Clients are disqualified for periods of one year for the first IPV, two years for the second IPV, lifet ime disqualification for the third IPV, and ten years for a concurrent receipt of benefits. BAM 720.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclu	usions
of Law, and for the reasons stated on the record, concludes that:	

1. Respondent	\boxtimes	did		did	not	commit	an	IP۱	V.
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2. Respondent ⊠ did ☐ did not receive an OI of prog_ram benefits in the amount of from the following program(s) ☐ FIP ☑ FAP ☐ SDA ☐ CDC ☐ MA.)f				
☐ The Department is ORDERED to delete the OI and cease any recoupment action.					
The Department is ORDERED to initiate recoupment procedures for the amount of in accordance with Department policy.	f				
The Department is ORDERED to reduce the OI to for the period , i accordance with Department policy.	n				
☑ It is FURTHER ORDERED that Respondent be disqualified from					
☐ FIP ☒ FAP ☐ SDA ☐ CDC for a period of ☐ 12 months. ☐ 24 months. ☐ lifetime.					
<u>/s/</u> William A. Sundquis Administrative Law Judg for Maura Corrigan, Directo	е				
Department of Human Service					

Date Signed: June 28, 2013

Date Mailed: June 28, 2013

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

WAS/hj

CC:

