

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

IN THE MATTER OF:

[REDACTED] VE
[REDACTED]

Reg. No: 20136081

Issue No: 3052

Hearing Date: [REDACTED]
Ottawa County DHS (70)

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

DECISION AND ORDER

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the Claimant's request for a hearing. After due notice, an in-person hearing was held on [REDACTED]. Claimant appeared with his wife, [REDACTED] and both testified. The Department was represented by [REDACTED], and [REDACTED] [REDACTED] appeared by phone.

ISSUE

Was the Department correct in determining an overissuance of Claimant's FAP benefits and for seeking recoupment?

FINDINGS OF FACT

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

1. Claimant was a recipient of FAP benefits receiving [REDACTED] in food assistance from [REDACTED] through [REDACTED].
2. Claimant reported monthly employment income of [REDACTED] at the time of application on [REDACTED] based on an estimate of her fluctuating income with the [REDACTED] school district.
3. Claimant submitted a semi-annual contact report on [REDACTED] stating no changes in income.
4. On [REDACTED] a wage match was received by the Department showing substantially more employment income than the \$ [REDACTED] monthly income reported at the time of application and above the simplified reporting threshold.

[BAM 715](#) explains client error, and [BAM 720](#) explains Intentional Program Violations.

OVERISSUANCE PROCESSING

All Programs

FIS/ES Actions When you discover a potential OI, you must:

1. Take immediate action to correct the current benefits (See [BAM 220](#), Case Actions, for change processing requirements).
2. Obtain initial evidence that an OI potentially exists.
3. Determine if the OI was caused by department, provider or client actions.
4. Refer any OIs needing referral to the RS within **60 days** of suspecting an OI exists. [BAM 700](#)

Simplified Reporting

FAP Only

Bridges determines the first month of the overissuance as two months after the actual monthly income exceeded the simplified reporting (SR) limit. This accounts for the 10 days to report by the client, the 10 days for the specialist to act on the change and the 12-day negative action period; see [BAM 200](#). [BAM 715](#).

OVERISSUANCE AMOUNT

FIP, SDA, CDC and FAP

The amount of the OI is the benefit amount the group or provider actually received minus the amount the group was eligible to receive.

FAP Only

If the OI involves two or more FAP groups which should have received benefits as one group, determine the OI amount by:

- Adding together all benefits received by the groups that must be combined, **and**
- Subtracting the correct benefits for the one combined group.

Overissuance Threshold

FIP, SDA, CDC and FAP Only

No client overissuance will be established if the OI amount is less than \$250.

In the present case, the Department alleged that Claimant received an overissuance of [REDACTED] in FAP benefits [REDACTED] and [REDACTED]. At hearing, the Claimant's [REDACTED] alleged that the worker assisting her at the time of application instructed her to give an estimate of her fluctuating employment income in the form of an average. Claimant's [REDACTED] testified that she was unaware that additional employment income information needed to be provided if her employment income increased substantially in the future. Department policy contained in the application materials and in the semi-annual contact report outline income reporting requirements to recipients. It is understandable if Claimant did not understand these rules; however, policy clearly dictates what actions must be taken when a substantial increase in income is discovered. BAM 700. The Department correctly followed Department policy once the increase in income was discovered. The Department presented sufficient evidence that an overissuance of FAP has occurred in the amount of [REDACTED] between [REDACTED] and [REDACTED]. Claimant received [REDACTED] in FAP benefits when she was only entitled to [REDACTED].

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department presented sufficient evidence and was correct that Claimant received overissuances in FAP program benefits in the amount of [REDACTED] and it is **ORDERED** that the Department's decision in this regard be and is hereby **AFFIRMED**.

Aaron
Administrative
for
Department

Aaron McCintic
McCintic
Law Judge
Maura Corrigan, Director
of Human Services

Date Signed: May 3, 2013

Date Mailed: May 3, 2013

NOTICE: Administrative Hearings 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. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 60 days of the filing of the original request.

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.

AM/kl

cc:

