

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2013-35792  
Issue No.: 1052, 3055  
Case No.: [REDACTED]  
Hearing Date: July 9, 2013  
County: Macomb-12 County DHS

**ADMINISTRATIVE LAW JUDGE:** Corey A. Arendt

**HEARING DECISION FOR INTENTIONAL PROGRAM VIOLATION**

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 July 9, 2013 from Lansing, Michigan. The Respondent [REDACTED] appeared and provided testimony. The Department was represented by [REDACTED] of the Office of Inspector General (OIG).

**ISSUES**

1. Did Respondent receive an overissuance (OI) of

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

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Family Independence Program (FIP) | <input checked="" type="checkbox"/> Food Assistance Program (FAP) |
| <input type="checkbox"/> State Disability Assistance (SDA)            | <input 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 March 25, 2013 to establish an OI of benefits received by Respondent as a result of Respondent having allegedly committed an IPV.

2. The OIG  has  has not requested that Respondent be disqualified from receiving program benefits.
3. Respondent was a recipient of FAP benefits during the period of June, 2011 through December, 2011 and FIP benefits during the period of June, 2011 through March, 2012.
4. Respondent  was  was not aware of the responsibility to report all changes within 10 days.
5. Respondent had no apparent physical or mental impairment that would limit the understanding or ability to fulfill this requirement.
6. The Department's OIG indicates that the time period they are considering the fraud period is June, 2011 through December, 2011 for FAP and June, 2011 through March, 2012 for FIP.
7. During the alleged fraud period, Respondent was issued \$ [REDACTED] in FAP benefits and \$ [REDACTED] in FIP benefits from the State of Michigan.
8. Respondent was entitled to \$0 in  FIP  FAP  SDA  CDC during this time period.
9. From December 29, 2011 through September 14, 2012, the Respondent received Food Assistance, Cash Assistance and Medicaid from the state of Tennessee.
10. Respondent  did  did not receive an OI in the amount of \$ [REDACTED] in FAP benefits and \$ [REDACTED] in FIP benefits.
11. The Department  has  has not established that Respondent committed an IPV.
12. This was Respondent's  first  second  third IPV.
13. A notice of disqualification 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 Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT).

The FAP [formerly known as the Food Stamp (F S) 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 1999 AC, Rule 400.3001 through Rule 400.3015.

The FIP was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 USC 601, *et seq.* The Department administers the FIP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3101-3131. The FIP program replaced the Aid to Dependent Children (ADC) program effective October 1, 1996. Department policies are found in the BAM, BEM and the BRM.

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

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

- The client intentionally failed to report information or intentionally gave incomplete or inaccurate information needed to make a correct benefit determination, and
- The client was clearly and correctly 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 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 court or hearing decision that finds a client committed an IPV disqualifies that client from receiving program benefits. A disqualified recipient remains a member of an active group as long as he lives with them. Other eligible group members may continue to receive benefits. BAM 720.

Clients who commit an IPV are disqualified for a standard disqualification period except when a court orders a different period. Clients are disqualified for periods of one year for the first IPV, two years for the second IPV, lifetime disqualification for the third IPV, and ten years for a concurrent receipt of benefits. BAM 720.

Here the OIG provided unequivocal evidence that Respondent became a resident of Tennessee as early as April 30, 2011 when the Respondent began using her EBT card exclusively in Tennessee. On that date, the Respondent was no longer eligible to receive FAP benefits. BEM 220, p. 1.

Although the Respondent testified she had never intended to live in Tennessee, the Respondent was unable to provide any medical documentation to corroborate her claims. Additionally, I found it very confusing that the Respondent alleged to have multiple medical ailments that prevented her from returning to Michigan, but when asked about medical evidence she indicated she was unable to see any health

professionals in Tennessee during the time period in question because of an insurance issue.

Additionally, concurrent receipt of benefits means assistance received from multiple programs to cover a person's needs for the same time period. BEM 222, p 1. A person cannot receive FAP in more than one State for any month. BEM 222, p 2. Generally, a client is responsible for reporting any change in circumstances that may affect eligibility or benefit level within ten days of the change. BEM 105, p 7. For example, moving from one State to another, or informing the agency that benefits are also being concurrently received from another State.

Here the OIG provided unequivocal evidence that Respondent received concurrent benefits from both the State of Tennessee and Michigan and did so without informing the state of Michigan.

Based on the credible testimony and other evidence presented, I have concluded the OIG established, under the clear and convincing standard, that Respondent committed an IPV in this matter. At no time did the Respondent inform the Department of her move to the State of Tennessee as she knew she was required to do in order to receive additional benefits.

### **DECISION AND ORDER**

I have concluded, based upon the above Findings of Fact and Conclusions of Law:

1. Respondent  did  did not commit an IPV
2. Respondent  did  did not receive an overissuance of program benefits in the amount of \$ [REDACTED] from the following program(s)  FIP  FAP  SDA  CDC.

The Department is ORDERED to initiate recoupment procedures for the amount of \$ [REDACTED] in accordance with Department policy.

It is FURTHER ORDERED that Respondent be disqualified from FAP for a period of 10 years and FIP for a period of 1 year.



Corey A. Arendt  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: July 10, 2013

Date Mailed: July 10, 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.

CAA/las

cc:

