

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No: 201319201  
Issue No: 1006  
Case No: [REDACTED]  
Hearing Date: February 6, 2014  
Macomb County DHS #12

**ADMINISTRATIVE LAW JUDGE:** Suzanne D. Sonneborn

**HEARING DECISION**

Upon a hearing request by the Department of Human Services (Department) to establish an overissuance (OI) of benefits to Respondent, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9, 400.43a, and 24.201, *et seq.*, and Mich Admin Code, R 400.941, and in accordance with 7 CFR 273.15 to 273.18, 42 CFR 431.200 to 431.250, 45 CFR 99.1 to 99.33, and 45 CFR 205.10. Following due notice mailed to Respondent at her last known address on file with the Department, which notice was not returned to the Michigan Administrative Hearing System as undeliverable mail, a telephone hearing was held on February 6, 2014 from Lansing, Michigan. Respondent did not appear. This matter having been initiated by the Department and due notice having been provided to Respondent, the hearing was held in Respondent's absence in accordance with Department of Human Services Bridges Administrative Manual (BAM) 725, pp. 13-17. The department was represented by [REDACTED] a recoupment specialist with the department's Macomb County office.

**ISSUE**

Whether Respondent received an overissuance (OI) of Family Independence Program (FIP) benefits that the Department is entitled to recoup?

**FINDINGS OF FACT**

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

1. Respondent was a recipient of FIP benefits at all times relevant to this matter.
2. On February 2, 2012, Respondent completed an assistance application (DHS1171) wherein she reported that her household included herself and her daughter, [REDACTED]. In signing the application, Respondent certified with her

signature, under penalty of perjury, that the application had been examined by or read to her and, to the best of her knowledge, the facts were true and complete. Respondent further certified with her signature that she understood she could be prosecuted for perjury and for fraud and/or be required to repay the amount wrongfully received if she intentionally gave false or misleading information, misrepresented, hid or withheld facts that may cause her to receive assistance she should not have received. (Department Exhibit 1, pp. 3-22)

3. On March 21, 2012, Respondent completed a redetermination (DHS-1010) wherein she again reported that her household included herself and her daughter, [REDACTED]. Respondent further reported that she and her daughter buy, fix, and eat meals together. (Department Exhibit 2, pp. 23-26)
4. On November 5, 2012, the Department obtained verification that [REDACTED] has been designated a temporary court ward with a placement date beginning on December 9, 2011. (Department Exhibit 3, p. 27)
5. Due to agency error, Respondent received an over issuance of FIP benefits in the amount of \$ [REDACTED] for the period March 1, 2012 through May 31, 2012. (Department Exhibit 5, p. 32, Department Exhibit 6, p. 33)
6. On October 1, 2012, the Department mailed Respondent a written notice (DHS-4358-A) that she received an over issuance of FIP benefits in the amount of \$ [REDACTED] for the period March 1, 2012 through May 31, 2012 as a result of agency error. (Department Exhibit 7, pp. 34-37)
5. On October 13, 2012, Respondent submitted a hearing request, protesting the department's determination that she must repay the FIP over-issuance.
6. A notice of debt collection hearing was mailed to Respondent at her last known address and was not returned by the United States Postal Service as undeliverable.

### **CONCLUSIONS OF LAW**

Clients have the right to contest a department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The department will provide an administrative hearing to review the decision and determine the appropriateness of that decision. Department of Human Services Bridges Administrative Manual (BAM) 600 (2011), p. 1. The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in sections 400.901 to 400.951 of the Michigan Administrative Code (Mich Admin Code). An opportunity for a hearing shall be granted to an applicant who requests a hearing because his claim for assistance is denied. Mich Admin Code R 400.903(1).

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MC L 400.10 and 400.57a and Mich Admin Code, R 400.3101 to .3131.

For purposes of FIP group composition, department policy provides that a court ward is under the care and supervision of the court and, even if he or she meets the temporary absence requirements, the child is not considered to be living in the parent's home. BEM 210 (October 1, 2011), p. 3.

An over issuance is the amount of benefits issued to the client group in excess of what they were eligible to receive. BAM 705. When a client group receives more benefits than they are entitled to receive, the Department must attempt to recoup the over issuance. BAM 700.

Department errors are caused by incorrect actions by the Department. BAM 705. Department error over issuances are not pursued if the estimated over issuance is less than \$ [REDACTED] per program. BAM 705. The agency error threshold was raised to \$ [REDACTED] from \$ [REDACTED] with an effective date of December 1, 2012. BAM 705. Client errors occur when the customer gave incorrect or incomplete information to the Department. Client errors are not established if the over issuance is less than \$125 unless the client group is active for the over issuance program, or the over issuance is a result of a quality control audit finding. BAM 700.

In this case, Respondent was a recipient of FIP benefits and, due to agency error, she received an over issuance of FIP benefits in the amount of \$ [REDACTED] for the period March 1, 2012 through May 31, 2012.

At the February 6, 2014 hearing, the Department's representative, recoupment specialist [REDACTED], provided sufficient and undisputed testimony and documentary evidence establishing that Respondent reported in an assistance application and a redetermination, dated February 2, 2012 and March 21, 2012, respectively, that her household group composition included herself and her daughter, with whom she purchased, prepared, and ate meals together. Ms. [REDACTED] further established that Respondent's daughter had been designated a temporary court ward effective December 9, 2011, a designation which precluded her from being considered a member of Respondent's FIP group under BEM 210. Ms. [REDACTED] further established that, as a result of Respondent's failure to accurately report her daughter's temporary court ward designation, Respondent was not entitled to receive FIP benefits on her daughter's behalf, resulting in Respondent's receipt of an over issuance of FIP benefits in the amount of \$ [REDACTED] for the period September 1, 2011 through May 31, 2012, and an over issuance of FIP benefits in the amount of \$ [REDACTED] for the period March 1, 2012 through May 31, 2012.

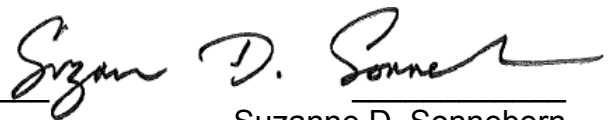
Testimony and other evidence must be weighed and considered according to its reasonableness. *Gardiner v Courtright*, 165 Mich 54, 62; 130 NW 322 (1911); *Dep't of Community Health v Risch*, 274 Mich App 365, 372; 733 NW2d 403 (2007). Moreover, the weight and credibility of this evidence is generally for the fact-finder to determine. *Dep't of Community Health*, 274 Mich App at 372; *People v Terry*, 224 Mich App 447, 452; 569 NW2d 641 (1997).

This Administrative Law Judge has carefully considered and weighed the testimony and other evidence in the record and finds, based on the competent, material, and substantial evidence presented during the February 6, 2014 hearing, the Department properly determined that Respondent received an over issuance of FIP benefits in the amount of \$ [REDACTED] for the period March 1, 2012 through May 31, 2012, which the department is required to recoup.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department properly determined that Respondent received an over issuance of FIP benefits in the amount of \$ [REDACTED] for the period March 1, 2012 through May 31, 2012. Accordingly, the department's recoupment of Respondent's over issuance of FIP benefits in the amount of \$ [REDACTED] is **UPHELD** and the Department is ORDERED to initiate collection procedures in this amount in accordance with Department policy.

It is **SO ORDERED**.



Suzanne D. Sonneborn  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: February 7, 2014

Date Mailed: February 7, 2014

**NOTICE OF APPEAL:** 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 or Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

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).

A Request for Rehearing or Reconsideration may be granted when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The Department, AHR or the claimant must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date the hearing decision is mailed.

The written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings  
Reconsideration/Rehearing Request  
P.O. Box 30639  
Lansing, Michigan 48909-07322

SDS/hj

cc:

