

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2013-47928  
Issue No.: 1030  
Case No.: [REDACTED]  
Hearing Date: June 19, 2013  
County: Macomb DHS

**ADMINISTRATIVE LAW JUDGE:** Kevin Scully

**HEARING DECISION**

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 June 19, 2013 from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED] [REDACTED]. Participants on behalf of Department of Human Services (Department) included [REDACTED] [REDACTED].

**ISSUE**

Did Claimant receive an overissuance of [REDACTED] program benefits that the Department is entitled to recoup?

**FINDINGS OF FACT**

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

1. During the period of November 1, 2012, through November 30, 2012, Claimant received benefits for:

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

2. The Department determined that Claimant received a  
 FIP  FAP  MA  SDA  CDC overissuance in the amount of \$ [REDACTED] during the period of November 1, 2012, through November 30, 2012.

3. The overissuance was due to  Department error.  client error.

4. On April 29, 2013, the Department sent notice of the overissuance and a repayment agreement to Claimant.
5. On May 10, 2013, Claimant filed a hearing request, protesting the Department's recoupment action.

### **CONCLUSIONS OF LAW**

Department policies are found in the Bridges 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 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 1999 AC, R 400.3101 through Rule 400.3131. FIP replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

The Department became aware that the Claimant was receiving unreported income from a conversation that the Claimant had with his caseworker.

The Claimant testified that he did not withhold any information from his caseworker.

Clients must report changes in circumstance that potentially affect eligibility or benefit amount within 10 days of receiving the first payment reflecting the change. Income reporting requirements are limited to the following:

Earned income:

- Starting or stopping employment.
- Changing employers.
- Change in rate of pay.
- Change in work hours of more than five hours per week that is expected to continue for more than one month.
- Unearned income:
  - Starting or stopping a source of unearned income.
  - Change in gross monthly income of more than \$50 since the last reported change.

Department of Human Services Bridges Assistance Manual (BAM) 105.

Regardless of when the Claimant reports his income to the Department, the evidence supports a finding that this income was not used to determine his eligibility to receive Family Independence Program (FIP) benefits. If this income had been used to determine the Claimant's eligibility to receive FIP benefits, he would have been found to be ineligible. Since the Claimant received benefits he was not entitled to, the Department is required to attempt to recoup these benefits.

Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, the Administrative Law Judge concludes that Claimant

did receive an overissuance for  FIP  FAP  MA  SDA  CDC benefits in the amount of \$ [REDACTED] that the Department is entitled to recoup.

did not receive the overissuance for which the Department presently seeks recoupment.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department

did act properly.  did not act properly.

Accordingly, the Department's decision is  **AFFIRMED**  REVERSED for the reasons stated on the record.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

/s/  
**Kevin Scully**  
Administrative Law Judge  
For Maura Corrigan, Director  
Department of Human Services

Date Signed: June 26, 2013

Date Mailed: June 26, 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)

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.

Claimant may request a rehearing or reconsideration for the following reasons:

- A rehearing **MAY** be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.

- A reconsideration **MAY** be granted for any of the following reasons:
- misapplication of manual policy or law in the hearing decision,
- typographical errors, mathematical error, or other obvious errors in the hearing decision that effect the substantial rights of the claimant:
- the failure of the ALJ to address other relevant issues in the hearing decision.

Request must be submitted through the local DHS office or directly to MAHS by mail at

Michigan	Administrative hearings
Recons	ideration/Rehearing Request
P.	O. Box 30639
Lansing,	Michigan 48909-07322

KS/kl

cc:

