

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No: 201362635  
Issue No: 6006  
Case No: [REDACTED]  
Hearing Date: March 13, 2014  
Wayne County DHS #35

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

**HEARING DECISION**

Upon a hearing request by the Department of Human Services (Department) to establish an over issuance (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. After due notice, a telephone hearing was held on March 13, 2014 from Lansing, Michigan. Respondent appeared and provided testimony. The Department was represented by [REDACTED] [REDACTED] a recoupment specialist with the Department's Wayne County office.

**ISSUE**

Whether Respondent received an over issuance of Child Development Care (CDC) 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 CDC benefits at all times relevant to this matter. (Department Exhibit 1, pp. 6-71)
2. On April 29, 2013, Respondent reported to the Department that she only worked six to eight hours a week at Fleishman Jewish Living Center during a time period in which the Department was billed for more than 100 hours per pay period for CDC benefits to Respondent. (Department Exhibit 2, p. 22; Department Exhibit 3, pp. 29-36; Department Exhibit 4, p. 23; Department Exhibit 6, pp. 37-39; Department Exhibit 7, p. 28; Department Exhibit 8, p. 40)
3. Due to Respondent's failure to timely and accurately report her actual employment hours with the Department, Respondent received an over issuance of CDC benefits in the amount of \$ [REDACTED] for the period April 24, 2011 through August 13, 2011. (Department Exhibit 6, pp. 37-39)

4. On May 10, 2013, the Department mailed Respondent a written notice that she had committed an intentional program violation (IPV) involving the CDC program, resulting in her receipt of an over issuance of CDC benefits in the amount of \$ [REDACTED] for the period April 24, 2011 through August 13, 2011. The Department further advised Respondent that she must sign the enclosed IPV Repayment and Agreement (DHS-4350) and Disqualification Consent Agreement (DHS-830) by May 24, 2013.

### **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 Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, the Child Care and Development 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 Federal Regulations, Parts 98 and 99. The Department provides services to adults and children pursuant to MCL 400.14(1) and 1999 AC, Rule 400.5001 through Rule 400.5015.

An over issuance is the amount of benefits issued to the client group in excess of what they were eligible to receive. BAM 705. The amount of the over issuance is the amount of benefits the group actually received minus the amount the group was eligible to receive. BAM 720. 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 \$250 per program. 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, at the March 13, 2014 hearing, the Department's representative, recoupment specialist Quocshawn Parker, provided sufficient testimony and documentary evidence establishing that due to Respondent's failure to timely and accurate report her actual employment hours with the Department, Respondent received an over issuance of CDC benefits in the amount of \$ [REDACTED] for the period April 24, 2011 through August 13, 2011. Ms. Parker also acknowledged that, despite having sent Respondent paperwork informing her that she had committed an IPV involving the CDC program, such paperwork was sent in error inasmuch as this was not

201362635/SDS

an IPV hearing request but, rather, a debt collection hearing request and the Department was not requesting that an IPV determination be made or that Respondent be disqualified from an assistance program.

In response to the Department's presentation, Respondent acknowledged having underreported her employment hours during the time period in question and indicated her understanding that she was required to repay the over issuance of CDC benefits that she received as a result.

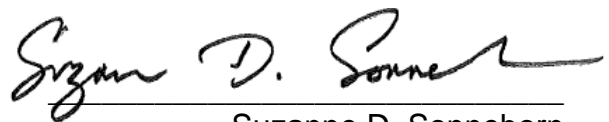
Testimony and other evidence must be weighed and considered according to its reasonableness. *Gardiner v Courtright*, 165 Mich 54, 62; 130 NW 322 (1911); *Dep't of Community Health v Risch*, 274 Mich App 365, 372; 733 NW2d 403 (2007). Moreover, the weight and credibility of this evidence is generally 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 concludes, based on the competent, material, and substantial evidence presented during the March 6, 2014 hearing, the department properly determined that Respondent received an over issuance of CDC benefits in the amount of \$ [REDACTED] for the period April 24, 2011 through August 13, 2011.

### **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 CDC benefits in the amount of \$ [REDACTED] for the period April 24, 2011 through August 13, 2011, which the department is required to recoup. Accordingly, the department's recoupment of Respondent's over issuance of CDC 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: March 19, 2014

Date Mailed: March 20, 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.

201362635/SDS

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:

