

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2014-20739  
Issue No(s): 1007  
Case No.: [REDACTED]  
Hearing Date: February 19, 2014  
County: Jackson

**ADMINISTRATIVE LAW JUDGE:** Michael S. Newell

**HEARING DECISION**

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 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 February 19, 2014, from Lansing, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Family Independence Manager and [REDACTED], JET Worker.

**ISSUE**

Did Claimant receive an overissuance of 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. Claimant received benefits for Family Independence Program (FIP).
2. The Department determined that Claimant received a FIP over issuance in the amount of \$ [REDACTED] during the period of March 1, 2013, through April 30, 2013.
3. The over issuance was due to Department error.
4. The Department conceded during the hearing that Claimant reported a job to the Department on either March 18, 2013 or March 28, 2013.
5. The Department conceded that it should have followed up as required by policy regarding this job, but this did not occur.

6. On December 10, 2013, the Department issued a Notice of Over issuance stating that Claimant was over issued \$ [REDACTED] in benefits because of unbudgeted income. (Exhibit 1).
7. The Notice stated that the over issuance occurred due to client error.
8. The Department applied two offsets against the over issuance: one for \$ [REDACTED] against an underpayment in May 2013 and one for \$ [REDACTED] against an underpayment in August 2013.
9. On December 23, 2013, Claimant requested hearing.
10. Claimant did not challenge the amount of overpayment calculated by the Department.

### **CONCLUSIONS OF LAW**

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), and Department of Human Services Reference Tables Manual (RFT).

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 MCL 400.10 and 400.57a and Mich Admin Code, R 400.3101 to .3131.

Additionally, The Department did not meet its burden of proof that the overpayment occurred due to client error. The Department indicated that it was not client error on both the hearing request and during the hearing.

Based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, the Administrative Law Judge concludes that Claimant did receive an over issuance for FIP benefits in the amount of \$ [REDACTED] that the Department is entitled to recoup.

### **DECISION AND ORDER**

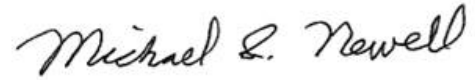
Accordingly, the Department's action seeking recoupment is **REVERSED**.

**AFFIRMED IN PART** with respect to the amount of over issuance and **REVERSED IN PART** with respect to the Department's finding that the over issuance occurred due to client error.

**THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS**

**HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:**

1. Credit the recoupment amount by any amounts already offset.
2. Proceed with any recoupment as required by policy and consistent with this opinion.



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MICHAEL S. NEWELL  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: March 14, 2014

Date Mailed: March 14, 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

2014-20739/MSN

MSN/nk

cc:

