

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

IN THE MATTER OF:



Reg. No.: 14-017224
Issue No.: 3008
Case No.: [REDACTED]
Hearing Date: January 07, 2015
County: Bay

ADMINISTRATIVE LAW JUDGE: Kevin Scully

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, telephone hearing was held on January 7, 2015, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

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: Food Assistance Program (FAP).
2. The Department determined that Claimant received a FAP overissuance in the amount of \$ [REDACTED] during the period of October 1, 2012, through September 30, 2013.
3. The overissuance was due to both Department error and Client error.
4. On October 13, 2014, the Department sent notice of the overissuance and a repayment agreement to Claimant/Claimant's Authorized Representative (AR).
5. On November 21, 2014, Claimant/Claimant's Authorized Hearing Representative (AHR) filed a hearing request, protesting the Department's recoupment action.

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 Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food Stamp Act of 1977, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001 to .3015.

The Claimant was an ongoing Food Assistance Program (FAP) recipient from October 1, 2012, through September 30, 2013. The Claimant was employed and received earned income starting on June 26, 2012. The evidence presented on the record supports a finding that the Claimant's employment was not reported to the Department until February 1, 2013. Due to Department error, the Department continued to issue benefits through September 30, 2013, without any consideration of this income. As a result, the Claimant received Food Assistance Program (FAP) benefits that she would not have been eligible for if the Department had applied her earned income to her FAP budget.

The Claimant had a duty to report all changes in circumstances that affected her eligibility to receive Food Assistance Program (FAP) benefits. This included her employment starting June 26, 2012. This Administrative Law Judge finds that the Claimant received an overissuance of Food Assistance Program (FAP) benefits from October 1, 2012, through February 28, 2013, due to client error and she received an overissuance of FAP benefits that she was not eligible for.

The Claimant reported her employment to the Department on February 1, 2013. Due to Department error, this report of earned income was not applied to her eligibility for continuing benefits. If the Department had properly recorded the Claimant's earnings, her Food Assistance Program (FAP) benefits would have been reduced as of March 1, 2013. Instead, the Claimant received an overissuance of Food Assistance Program (FAP) benefits and continued to receive benefits that she was not eligible for through September 30, 2013.


This Administrative Law Judge finds that the Claimant received an overissuance of Food Assistance Program (FAP) benefits due to client error in the amount of \$ [REDACTED]

This Administrative Law Judge finds that the Claimant received an overissuance of Food Assistance Program (FAP) benefits due to Department error in the amount of \$ [REDACTED]

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 overissuance for FAP benefits in the amount of \$ [REDACTED] that the Department is entitled to recoup.

DECISION AND ORDER

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



Kevin Scully
Administrative Law Judge
for Nick Lyon, Interim Director
Department of Human Services

Date Signed: **1/13/2015**

Date Mailed: **1/13/2015**

KS/las

NOTICE OF APPEAL: A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides, or the circuit court in Ingham County, within 30 days of the receipt date.

A party may request a rehearing or reconsideration of this Hearing Decision from the Michigan Administrative Hearing System (MAHS) within 30 days of the mailing date of this Hearing Decision, or MAHS **MAY** order a rehearing or reconsideration on its own motion.

MAHS **MAY** grant a party's Request for Rehearing or Reconsideration 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 party requesting a rehearing or reconsideration 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 this Hearing Decision is mailed.

A written request may be faxed or mailed to MAHS. If submitted by fax, 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 48909-8139

cc:

