



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
Christopher Seppanen
Executive Director

MIKE ZIMMER
DIRECTOR

[REDACTED]

Date Mailed: April 20, 2016
MAHS Docket No.: 15-012292
Agency No.: [REDACTED]
Petitioner:
Respondent: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Kevin Scully

HEARING DECISION

Following Respondent'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 April 14, 2016, from Lansing, Michigan. Participants on behalf of the Department of Health and Human Services (Department) included [REDACTED] (Recoupment Specialist).

Participants on behalf of Respondent included [REDACTED] and [REDACTED].

ISSUE

Did the Department properly determine that the Respondent received an overissuance of Food Assistance Program (FAP) benefits?

FINDINGS OF FACT

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

1. On April 24, 2014, the Department received the Respondent's completed Redetermination (DHS-1010). Exhibit A, pp 2-7.
2. On April 29, 2014, the Department received a Change Report (DHS-2240) indicating that John Barnes had moved into the Respondent's household on April 18, 2014. Exhibit A, pp 11-12.
3. On May 10, 2014, the Department received verification of the income received by the benefit group. Exhibit A, pp 13-16.

4. On June 9, 2014, the Department received verification of employment for [REDACTED] Exhibit A, pp 19—21.
5. On May 27, 2015, the Department received verification of earned income received by [REDACTED]. Exhibit A, pp 22-28.
6. From June 1, 2014, through November 30, 2014, the Respondent received Food Assistance Program (FAP) benefits totaling \$ [REDACTED] Exhibit A, p 29.
7. On June 1, 2015, the Department sent the Respondent a Notice of Overissuance (DHS-4358) notifying her of its intent to recoup Food Assistance Program (FAP) benefits totaling \$ [REDACTED] issued from June 1, 2014, through November 30, 2014. Exhibit A, pp 45-46.
8. On July 13, 2015, the Department received the Respondent's request for a hearing. Exhibit A, p 1.

CONCLUSIONS OF LAW

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

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, 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 Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

When a client group receives more benefits than it is entitled to receive, the Department must attempt to recoup the overissuance. An agency error is caused by incorrect action (including delayed or no action) by Department staff or Department processes. A client error occurs when the client received more benefits than they were entitled to because the client gave incorrect or incomplete information to the department. Client and agency errors are not pursued if the estimated amount is less than \$250 per program. Department of Health and Human Services Bridges Administrative Manual (BAM) 700 (May 1, 2014), pp 1-9.

Overissuance balances on inactive cases must be repaid by lump-sum or monthly cash payments unless collection is suspended. Department of Health and Human Services Bridges Administrative Manual (BAM) 725 (July 1, 2014), p 8.

The Respondent was an ongoing FAP recipient from June 1, 2014, through November 30, 2014. The Respondent received FAP benefits totaling \$ [REDACTED] during this period.

Due to Department error, all of the income reported by the Respondent was not used to determine her eligibility for FAP benefits during that period. If all of the Respondent's income had been applied to her FAP eligibility, then she would not have been eligible for any of the FAP benefits that she received.

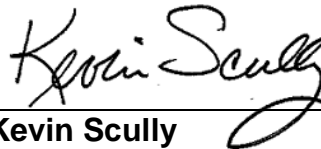
Despite the fact that the Respondent is not at fault for the overissuance of benefits, the Department has established that she was not eligible to receive FAP benefits during the overissuance period. Therefore, the Department is required to recoup those funds.

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, finds that the Department did establish a Food Assistance Program (FAP) benefit OI to Respondent totaling \$ [REDACTED]

DECISION AND ORDER

Accordingly, the Department's decision is **AFFIRMED**.

The Department is **ORDERED** to initiate collection procedures for a \$ [REDACTED] overissuance in accordance with Department policy.



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

KS/las

NOTICE OF APPEAL: A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Order if the request is received by MAHS within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088; 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

DHHS

[REDACTED]

[REDACTED]

Respondent

[REDACTED]