



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED]

Date Mailed: October 13, 2016  
MAHS Docket No.: 16-001129

[REDACTED]  
[REDACTED]  
[REDACTED]

**ADMINISTRATIVE LAW JUDGE: Aaron McClintic**

**HEARING DECISION**

Upon the request for a hearing by the Petitioner Becky Tribe, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9, and in accordance with Titles 7, 42 and 45 of the Code of Federal Regulation (CFR), particularly 7 CFR 273.16 and 45 CFR 235.110; and with Mich Admin Code, R 400.3130 and 400.3178. After due notice, a 3 way telephone hearing was held on September 28, 2016, from Lansing, Michigan. The Department was represented by [REDACTED], Recoupment Specialist. The Respondent was represented by herself. Department Exhibit 1, pp.1-26 were received and admitted.

**ISSUE**

Did Respondent receive an over-issuance (OI) of FAP benefits totaling [REDACTED]

**FINDINGS OF FACT**

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

1. Respondent was a recipient of FAP benefits from the Department.
2. The Department alleges Respondent received a Food Assistance Program benefit OI during the period July 1, 2013, through November 30, 2015, due to **Respondent's** error.
3. The Department alleges that Respondent received [REDACTED] OI that is still due and owing to the Department.
4. On January 25, 2016, Respondent requested hearing disputing the overissuance determination.

5. Respondent failed to report employment income for her husband [REDACTED] from A1 Services. (Dept. Ex.1, pp.11-12)

### **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), and Department of Health and Human Services Reference Tables Manual (RFT).

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 to .3015.

### **DEBT COLLECTION HEARINGS**

#### **FIP, SDA, CDC, MA and FAP**

MDHHS requests a debt collection hearing when the grantee of an **inactive** program requests a hearing after receiving the DHS-4358B, Agency and Client Error Information and Repayment Agreement. Active recipients are afforded their hearing rights automatically, but MDHHS must request hearings when the program is inactive; see BAM 705 or 715, HEARING REQUESTED, Inactive Cases. Do not use the debt collection codes on Benefit Recovery System for these hearings.

#### **FAP**

7 CFR 272.8

7 USC 2022

Mich Admin Code, R 400.3011

### **OVERISSUANCE PERIOD**

#### **All Programs**

#### **Begin Date**

#### **FIP, SDA, CDC and FAP**

The overissuance period begins the first month (or first pay period for CDC) when benefit issuance exceeds the amount allowed by policy, or 12 months before the date the overissuance was referred to the RS, whichever 12 month period is later. BAM 705

Additionally, Petitioner stated at hearing that she reported her husband's change in employment income by computer shortly after he received his first check. The Department presented sufficient proof that Petitioner received an overissuance of FAP benefits that resulted from client error. BAM 705 The Department stated at hearing that changes to employment income could not be reported by computer and had to be done by submitting paperwork to the Department. Regardless of whether Petitioner reported the change in income, the employment income was not budgeted and therefore Petitioner received an overissuance of FAP benefits that the Department is entitled to recoup.

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, finds that the Department **did** establish a FAP benefit OI during the period July 1, 2013, through November 30, 2015, due to client error totaling [REDACTED]

### **DECISION AND ORDER**

Accordingly, the Department is AFFIRMED.

The Department is ORDERED to initiate collection procedures for an [REDACTED] OI in accordance with Department policy.



**Aaron McClintic**

Administrative Law Judge

for Nick Lyon, Director

Department of Health and Human Services

**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

[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED] [REDACTED]

[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED] [REDACTED]