



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: November 15, 2016
MAHS Docket No.: 16-014215

[REDACTED]
[REDACTED]
[REDACTED]

ADMINISTRATIVE LAW JUDGE: Vicki Armstrong

HEARING DECISION

Upon the request for a hearing by the Department of Health and Human Services (Department), 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 telephone hearing was held on October 27, 2016, from Lansing, Michigan.

The Department was represented by [REDACTED], Regulation Agent of the Office of Inspector General (OIG). [REDACTED] testified on behalf of the Department. The Department submitted [REDACTED] exhibits which were admitted into evidence.

Respondent did not appear. Pursuant to Section 72(1) of the APA:

Sec. 72. (1) If a party fails to appear in a contested case after proper service of notice, the agency, if no adjournment is granted, may proceed with the hearing and make its decision in the absence of the party. MCL 24.272(1).

The record was closed at the conclusion of the hearing.

ISSUE

Did Respondent receive an over-issuance (OI) 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. Respondent submitted an online FAP application on November 15, 2015 indicating he was unemployed. [Dept. Exh. 37-49].
2. Respondent was a recipient of FAP benefits at all times pertinent to this hearing.
3. On March 11, 2016, Respondent submitted a Semi-Annual Contact to the Department indicating he was unemployed and receiving no income. [Dept. Exh. 35-36].
4. On March 11, 2016, the Department received verification of employment from the Work Number indicating Respondent was working at [REDACTED] from November 18, 2012 through February 29, 2016. [Dept. Exh. 28-32].
5. On August 12, 2016, the Department received verification of employment from the Work Number showing Respondent was employed at [REDACTED] [REDACTED] from March 7, 2016 through August 12, 2016. [Dept. Exh. 33-34].
6. Respondent received [REDACTED] during the fraud period of January 1, 2016 through August 31, 2016. However, Respondent was only eligible to receive [REDACTED]. [Dept. Exh. 9-27].
7. The Department alleges Respondent received a [REDACTED] OI during the period of January 1, 2016 through August 31, 2016, due to Respondent's error. [Dept. Exh. 5, 9].
8. The Department alleges that Respondent received [REDACTED] OI that is still due and owing to the Department. [Dept. Exh. 5, 9].

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.

Departmental policy, BAM 700, Benefit Overissuances, states that when a client group receives more benefits than entitled to receive, the Department must attempt to recoup the overissuance. BAM 700, p 1 (1/1/2016). Repayment of an overissuance is the responsibility of anyone who was an eligible, disqualified, or other adult in the program group at the time the overissuance occurred. BAM 725, p 1 (10/1/2015). Bridges will collect from all adults who were a member of the case. *Id.*

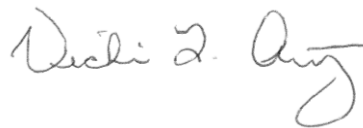
In this case, Respondent failed to report his earned income from both [REDACTED] and [REDACTED]. As a result, Respondent's earned income was not budgeted. Because Respondent failed to properly report his earned income, Respondent received an overissuance of [REDACTED] for the fraud period of January 1, 2016 through August 31, 2016.

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, finds that the Department did establish a FAP benefit overissuance to Respondent totaling [REDACTED].

DECISION AND ORDER

Accordingly, the Department is AFFIRMED.

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



Vicki Armstrong

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]

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