



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]

Date Mailed: February 21, 2017
MAHS Docket No.: 16-008918
Agency No.: [REDACTED]
Petitioner: OIG
Respondent: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Gary Heisler

HEARING DECISION FOR INTENTIONAL PROGRAM VIOLATION

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 November 10, 2016, from Lansing, Michigan. The Department was represented by [REDACTED] Regulation Agent of the Office of Inspector General (OIG). Respondent did not appear at the hearing. The Notice of Disqualification Hearing (MAHS-827) sent to Respondent was not returned as undeliverable. In accordance with 7 CFR 273.16(e), Mich Admin Code R 400.3130(5), or Mich Admin Code R 400.3178(5), and Bridges Administration Manual (BAM) 720 the hearing proceeded in Respondent's absence.

In this case the Department alleges that Respondent committed an Intentional Program Violation (IPV) by intentionally failing to report loss of employment in order to continue receiving Child Development and Care (CDC) benefits. The Department alleges that Respondent intentionally failed to report her loss of employment with three separate employers, which caused three separate Child Development and Care (CDC) over-issuance periods.

This Decision and Order is subdivided with regard to the three separate employers.

ISSUE

1. Did the Department establish, by clear and convincing evidence, that Respondent committed an Intentional Program Violation (IPV)?

2. Did Respondent receive an over-issuance (OI) of Child Development and Care (CDC) benefits between February 1, 2009 and May 22, 2010 that the Department is entitled to recoup?
3. Did Respondent receive an over-issuance (OI) of Child Development and Care (CDC) benefits between August 15, 2010 and May 7, 2011 that the Department is entitled to recoup?
4. Did Respondent receive an over-issuance (OI) of Child Development and Care (CDC) benefits between October 9, 2011 and June 16, 2012 that the Department is entitled to recoup?

FINDINGS OF FACT

The Administrative Law Judge, based upon the clear and convincing evidence on the whole record, finds as material fact:

[REDACTED]

1. On December 30, 2008, Respondent submitted paystubs to The Resource Network showing sufficient employment to meet work participation requirements. Department's Exhibit A page 40.
2. From February 1, 2009 to May 22, 2010, the Department alleges that Respondent received a Child Development and Care (CDC) over-issuance due to her Intentional Program Violation of failing to report that she was no longer employed at [REDACTED].
3. On February 1, 2009, Program Administration Manual (PAM) 720 Intentional Program Violation (7-1-2008) was in effect. It provided criteria for Child Development and Care (CDC) Intentional Program Violations. It also required investigation by OIG of suspected IPV cases and OIG referral to the Prosecuting Attorney or State Office of Administrative Hearings and Rules within 18 months.
4. From January 26, 2009 through March 30, 2009, Respondent was not meeting work participation requirements. Department's Exhibit A pages 39 & 40.
5. On February 25, 2009, [REDACTED] reported to the Department that Respondent was a permanent employee but had not received any income since January 30, 2009 due to no available clients. Department's Exhibit A pages 37 & 38.
6. On April 1, 2009, The Department updated Bridges Administration Manual (BAM) 720 Intentional Program Violation. It still required investigation by OIG of suspected IPV cases and referral to the Prosecuting Attorney or State Office of Administrative Hearings and Rules within 18 months.

7. On April 7, 2009, [REDACTED] of [REDACTED] recorded that Respondent's employment was verified. Department's Exhibit A page 42.
8. On April 7, 2009, Respondent submitted an Assistance Application (DHHS-1171) for Food Assistance Program (FAP) benefits. In the application Respondent stated that she started employment at [REDACTED] as an assistant living aid on April 7, 2009. Respondent stated she expected to work 40 hours per week. Respondent signed the affidavit in the Assistance Application (DHS-1171) certifying that the information provided was true and that she had received notice of reporting requirements as well as the conditions that constitute fraud/IPV and trafficking and the potential consequences. Department's Exhibit A pages 11-28.
9. From June 10, 2009 through July 21, 2009, [REDACTED] recorded that Respondent was meeting work participation requirements through employment. Department's Exhibit A pages 41 & 42.
10. On August 26, 2009, Respondent submitted 3 alleged paystubs for 07-31-2009, 08-14-2009 and 08-28-2009. The stubs do not have an employer name on them but do indicate that deductions were made for federal and state taxes as well as Social Security and Medicare deductions. Department's Exhibit A pages 46-48.
11. On October 13, 2009, Respondent submitted a Child Development and Care (CDC) Application (DHS-4583) and a Child Care Provider Verification (DHS-4025) with regard to all five of her children. On the application Respondent indicate she needed the child care for work and indicated she was changing child care providers. Department's Exhibit A pages 29-36.
12. On February 16, 2010, Respondent submitted 3 alleged paystubs from [REDACTED]-[REDACTED] [REDACTED] for dates of 01-15-2010, 01-29-2010 and 02-12-2010. The stubs do have an employer name on them and do indicate that deductions were made for federal and state taxes as well as Social Security and Medicare deductions. These alleged paystubs are different than the ones submitted on August 26, 2009. These stubs also now list that Respondent has "S-07" exemptions. Department's Exhibit A pages 49-51.
13. An employee wage match history was run by the Department on November 15, 2012. Respondent's history showed no wages reported by [REDACTED]-[REDACTED] at all, in any quarter. Fraudulent documentation which Respondent submitted to the Department stated that [REDACTED] withheld taxes from her pay and would therefore be required by law to report Respondent's wages. Department's Exhibit A page 45.
14. Respondent committed an Intentional Program Violation (IPV) by fraudulently representing that she was employed at [REDACTED] between February 1, 2009 and May 22, 2010.

15. In accordance with Bridges Administration Manual (BAM) 720 February 1, 2009 (the beginning of the CDC pay period) to May 22, 2010 (the end of the CDC pay period) has correctly been determined as the Child Development and Care (CDC) over-issuance period that occurred.
16. During the February 1, 2009 and May 22, 2010 over-issuance period, the Department over-issued \$ [REDACTED] in CDC benefits for the care of Respondent's children.

[REDACTED]
17. On June 28, 2010, Respondent signed an independent contractor agreement with [REDACTED] to provide door to door marketing services. Compensation was to be by commission. The agreement was terminated on February 24, 2011 by [REDACTED]. Department's Exhibit A pages 54-60.
18. On June 29, 2010, Respondent submitted a Food Assistance Program (FAP) Semi-Annual Contact Report (DHS-1046) which stated she worked at [REDACTED] - [REDACTED] but her work hours changed to 25 per week. Department's Exhibit A pages 52 & 53.
19. On July 17, 2010, Respondent received a check from [REDACTED] for \$ [REDACTED]. Department's Exhibit A page 56.
20. On July 24, 2010, Respondent received a check from [REDACTED] for \$ [REDACTED]. Department's Exhibit A page 57.
21. On July 31, 2010, Respondent received a check from [REDACTED] for \$ [REDACTED]. Department's Exhibit A page 58.
22. On August 7, 2010, Respondent received a check from [REDACTED] for \$ [REDACTED]. Department's Exhibit A page 59.
23. On August 14, 2010, Respondent received a check from [REDACTED] for \$ [REDACTED]. Department's Exhibit A page 60.
24. From August 15, 2010 to May 7, 2011, the Department alleges that Respondent received a Child Development and Care (CDC) over-issuance due to her Intentional Program Violation of fraudulently representing that she was employed by [REDACTED].
25. On February 24, 2011, [REDACTED] terminated the independent contractor agreement with Respondent. Department's Exhibit A pages 54 & 55.

26. On April 26, 2011, Respondent was identified as an active day care grantee with low/no wages. Department's Exhibit A page 44.
27. On August 5, 2011, Respondent submitted an Assistance Application (DHHS-1171) for Cash Assistance. On the application Respondent indicated she was employed at [REDACTED] as a house keeper. Respondent stated she expected to work 25 hours per week at a pay rate of \$ [REDACTED] per hour. Respondent signed the affidavit in the Assistance Application (DHS-1171) certifying that the information provided was true and that she had received notice of reporting requirements as well as the conditions that constitute fraud/IPV and trafficking and the potential consequences. Department's Exhibit A pages 63-84.
28. On August 9, 2011, Respondent submitted a Food Assistance Program (FAP) Semi-Annual Contact Report (DHS-1046). In the report Respondent indicated that her gross monthly household income of \$ [REDACTED] from [REDACTED] had stopped March 2011. Department Exhibit A pages 61 & 62.
29. There is no evidence in this record which shows that Child Development and Care (CDC) benefits were issued to Respondent at any time based on a claim of employment by [REDACTED]. The Department has failed its evidentiary burden of showing that Respondent committed an Intentional Program Violation in order to receive Child Development and Care (CDC) benefits based on a fraudulent representation of employment by [REDACTED].
[REDACTED].
30. On August 5, 2011, Respondent submitted an Assistance Application (DHHS-1171) for Cash Assistance. On the application Respondent indicated she was employed at [REDACTED] as a house keeper. Respondent did not indicate a start date for this employment on the application. Respondent stated she expected to work 25 hours per week at a pay rate of \$ [REDACTED] per hour. Respondent signed the affidavit in the Assistance Application (DHS-1171) certifying that the information provided was true and that she had received notice of reporting requirements as well as the conditions that constitute fraud/IPV and trafficking and the potential consequences. Department's Exhibit A pages 63-84.
31. There is no evidence in this record which shows when Respondent began employment at [REDACTED] or when that employment ended.
32. From October 9, 2011 to June 16, 2012, the Department alleges that Respondent received a Child Development and Care (CDC) over-issuance due to her Intentional Program Violation of fraudulently representing that she was employed by [REDACTED].
33. On November 15, 2012, a quarterly wage match was run on Respondent. Department's Exhibit A page 45. The match showed that the only wages reported

from [REDACTED]. were \$ [REDACTED] during the 3rd quarter of 2011. Using the \$ [REDACTED] per hour pay rate Respondent gave in her August 5, 2011 application, it appears that Respondent only worked 63 hours for [REDACTED].

34. Respondent committed an Intentional Program Violation (IPV) by intentionally failing to report her employment at [REDACTED] ended so she no longer had a valid need reason to receive Child Development and Care (CDC) benefits.

CONCLUSIONS OF LAW

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

The Child Development and Care (CDC) program is established by Titles IV-A, IV-E and XX of the Social Security Act, 42 USC 601-619, 670-679c, and 1397-1397m-5; the Child Care and Development Block Grant of 1990, PL 101-508, 42 USC 9858 to 9858q; and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193. The program is implemented by 45 CFR 98.1-99.33. The Department administers the program pursuant to MCL 400.10 and provides services to adults and children pursuant to MCL 400.14(1) and Mich Admin Code, R 400.5001-.5020.

Bridges Administration Manual (BAM) 720 Intentional Program Violation (10-1-2015) governs the Department's actions in this case. OIG requests IPV hearing for cases involving:

1. FAP trafficking over-issuances that are not forwarded to the prosecutor.
2. Prosecution of welfare fraud or FAP trafficking is declined by the prosecutor for a reason other than lack of evidence, **and**

The total amount for the FIP, SDA, CDC, MA and FAP programs combined is \$500 or more, **or**

The total amount is less than \$500, **and**

The group has a previous IPV, **or**

The alleged IPV involves FAP trafficking, **or**

The alleged fraud involves concurrent receipt of assistance (see BEM 222), **or**

The alleged fraud is committed by a state/government employee.

INTENTIONAL PROGRAM VIOLATION

BAM 720 states that a suspected IPV means an OI exists for which all three of the following conditions exist:

The client intentionally failed to report information or intentionally gave incomplete or inaccurate information needed to make a correct benefit determination, and

The client was clearly and correctly instructed regarding his or her reporting responsibilities, and

The client has no apparent physical or mental impairment that limits his or her understanding or ability to fulfill reporting responsibilities.

An IPV requires that the Department establish by clear and convincing evidence that the client has intentionally withheld or misrepresented information for the purpose of establishing, maintaining, increasing or preventing reduction of program benefits or eligibility. In other words, the Department must show that the Respondent engaged in a fraudulent act or omission they knew would result in receiving assistance they were not eligible for.

In this case the Department alleges that Respondent committed an Intentional Program Violation (IPV) by fraudulently representing employment. The Department alleges that Respondent fraudulently represented employment with three separate employers, which caused three separate Child Development and Care (CDC) over-issuance periods.

In this case, the Department presented numerous Assistance Applications (DHS-1171), Redeterminations (DHS-1010) and a Child Development and Care (CDC) Application (DHS-4583) which Respondent submitted to the Department during the alleged OI periods. This documentation is sufficient to establish that Respondent certified the truth of the information she reported as well as knowledge of reporting requirements and the conditions that constitute fraud/IPV and the potential consequences.

██████████
With regard to the alleged employer, ██████████ the record contains inconsistent and inadequate paystubs. The paystubs Respondent submitted report wages paid and taxes withheld. However, none of those wages appear on quarterly wage matches. That means the wages paid, were not reported as required by law. The totality of evidence in this record meets the clear and convincing standard to show that ██████-██████████ was not a legitimate business entity. Therefore, Respondent's representations of employment by ██████████ was fraudulent and constitutes an Intentional Program Violation.

██████████
On June 28, 2010, Respondent signed an independent contractor agreement with ██████ to provide door to door marketing services. Compensation was to be by commission. The evidence also shows that Respondent received payments from ██████ beginning in July 2010 and ending August 14, 2010. It is noted that the

November 15, 2012 Quarterly Wage Match shows no wages from [REDACTED]. Any commission and/or expense payments from [REDACTED] would be [REDACTED] business expenses not taxable wages paid to an employee that would show up on a wage match.

[REDACTED] terminated the independent contractor agreement with Respondent on February 24, 2011. Any representations of employment by [REDACTED] after the independent contractor agreement was terminated on February 24, 2011, would certainly be fraudulent. However, Respondent had an independent contractor agreement with [REDACTED] until February 24, 2011 so representations of employment by [REDACTED] between August 14, 2010 and February 24, 2011 would not automatically be fraudulent.

While CDC benefits continued for Respondent's children during the time period she was associated with [REDACTED] the only evidence in this record showing information Respondent reported about [REDACTED] is an August 9, 2011 Semi-Annual Contact Report (DHS-1046). In that contact report Respondent indicated her income from [REDACTED] ended in March 2011.

On June 29, 2010, Respondent submitted a Food Assistance Program (FAP) Semi-Annual Contact Report (DHS-1046) which stated she worked at [REDACTED] but her work hours changed to 25 per week. There is no evidence in this record which shows that Child Development and Care (CDC) benefits were issued to Respondent at any time based on a claim of employment by [REDACTED]. The Department has failed its evidentiary burden of showing that Respondent committed an Intentional Program Violation in order to receive Child Development and Care (CDC) benefits based on a fraudulent representation of employment by [REDACTED].

[REDACTED]

With regard to [REDACTED], Respondent reported employment with them in her August 5, 2011, Assistance Application (DHHS-1171). In the application Respondent reported she worked 25 hours per week at a pay rate of \$ [REDACTED] per hour. A November 15, 2012, quarterly wage match showed \$ [REDACTED] of wages was reported from [REDACTED] during the 3rd quarter of 2011. Using the \$ [REDACTED] per hour pay rate Respondent gave in her September 15, 2011 application, Respondent only worked 63 hours for [REDACTED]. At 25 hours per week, Respondent worked for [REDACTED] for 2.52 weeks. ($63/25=2.52$) Respondent committed an Intentional Program Violation (IPV) by failing to report that her employment at [REDACTED] ended. At that point she no longer had a valid need reason for Child Development and Care (CDC) benefits.

OVER-ISSUANCE

Over-issuance Period

BAM 720 states that the over-issuance period begins the first month (or pay period for CDC) benefit issuance exceeds the amount allowed by policy **or** 72 months (6 years) before the date it was referred to the RS, whichever is later.

To determine the first month of the over-issuance period (for over-issuances 11/97 or later) Bridges allows time for:

The client reporting period, per BAM 105.

The full standard of promptness (SOP) for change processing, per BAM 220.

The full negative action suspense period.

The over-issuance period ends the month (or pay period for CDC) before the benefit is corrected.

[REDACTED]

In this case, the Department submitted evidence showing that Respondent committed an Intentional Program Violation by fraudulently reporting employment with [REDACTED] in order to receive Child Development and Care (CDC) benefits. Because Respondent's need reason was fraudulent, all the Child Development and Care (CDC) benefits issued in association with this Intentional Program Violation is an over-issuance. The Department has promoted an over-issuance period from February 1, 2009 to May 22, 2010. That is a proper over-issuance period.

[REDACTED]

The Department alleges that Respondent received a Child Development and Care (CDC) over-issuance from August 15, 2010 to May 7, 2011. This record contains no evidence which shows there was a Child Development and Care (CDC) over-issuance during Respondent's association with [REDACTED]. Applying Department policy requirements to allow for time to report, SOP and 12 day negative action period following February 24, 2011, when Respondent's independent contractor agreement was terminated. That period would go until April 9, 2011, the end of the CDC pay period affected.

That leaves the period of time from April 10, 2011 to May 7, 2011 as a possible over-issuance period of Child Development and Care (CDC) benefits. The Department has not established that the over-issuance was caused by an Intentional Program Violation (IPV) so the criterion for determining an over-issuance period and amount in Bridges Administration Manual (BAM) 720 Intentional Program Violation are not applicable.

Bridges Administration Manual (BAM) 715 Client/CDC Provider Error Over-Issuance provides:

**DEPARTMENT POLICY
ALL PROGRAMS**

Recoupment policies and procedures vary by program and over-issuance type. This item explains client error over-issuance processing and establishment.

BAM 700 explains over-issuance discovery, types and standard of promptness. BAM 705 explains agency error and BAM 720 explains Intentional Program Violations (IPV).

**Definitions
All Programs**

A provider error over-issuance is when the client received more benefits than he/she was entitled to because the client/CDC provider gave incorrect or incomplete information to the department.

A client error exists when the client's timely request for a hearing results in the suspension of a Michigan Department of Health and Human Services (MDHHS) action, and any of:

The hearing decision upholds the MDHHS action.

The client withdraws the hearing request.

The client fails to appear for the hearing which is not rescheduled.

The Michigan Administrative Hearings System (MAHS) sends written notice to proceed with case actions.

The intent of the policy is to create a class of over-issuances caused when the Department is given "incorrect or incomplete information." The evidentiary deficiency of this record that prevents determining an IPV, also prevents determining what information the Department did, or did not, receive. The evidence in this record is insufficient to determine that Respondent's over-issuance was client error. Therefore, the criterion for determining an over-issuance period and amount in Bridges Administration Manual (BAM) 715 Client/CDC Provider Error Over-Issuance are not applicable.

Bridges Administration Manual (BAM) 705 Agency Error Over-Issuances provides:

**DEPARTMENT POLICY
ALL PROGRAMS**

Recoupment policies and procedures vary by program and over-issuance type. This item explains agency error processing and establishment.

BAM 700 explains over-issuance discovery, types and standards of promptness. BAM 715 explains client error, and BAM 720 explains intentional program violations.

Definition
All Programs

An **agency error** is caused by incorrect actions (including delayed or no action) by the Michigan Department of Health and Human Services (MDHHS) staff or department processes. Some examples are:

Available information was not used or was used incorrectly.

Policy was misapplied.

Action by local or central office staff was delayed.

Computer errors occurred.

Information was not shared between department divisions such as services staff.

Data exchange reports were not acted upon timely (Wage Match, New Hires, BENDEX, etc.).

If unable to identify the type of over-issuance, record it as an agency error.

While the evidentiary deficiency in this record prevents a determination of what caused Respondent to receive an over-issuance, BAM 705 contains the catch all clause cited above. Therefore, the criterion for determining an over-issuance period and amount shall be in accordance with BAM 705 which provides:

Begin Date
FIP, SDA, CDC and FAP

The over-issuance 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 over-issuance was referred to the RS, whichever 12 month period is later.

In this case, the Department did not submit evidence showing a referral to a Recoupment Specialist. The evidence submitted does show that on April 26, 2011, Respondent was identified as an active day care grantee with low/no wages. Department's Exhibit A page 44. Bridges Administration Manual (BAM) 700 Benefit Over-Issuance, at page 7, requires that upon discovery of a potential over-issuance, it must be referred to a Recoupment Specialist within 60 days. That criteria indicates that the over-issuance should have been referred to a Recoupment Specialist June 25, 2011. Applying the above criteria provides that April 10, 2011 to May 7, 2011 is a proper over-issuance period for this Agency Error over-issuance.

[REDACTED]

There is no evidence in this record which shows when Respondent began employment at [REDACTED] or when that employment ended. In the August 5, 2011 application, Respondent reported that she expected to work 25 hours per week at a pay rate of \$ [REDACTED] per hour. The November 15, 2012, wage match shows that Respondent received \$ [REDACTED] from [REDACTED] between July 1, 2011 and September 30, 2011. Based on the information Respondent provided in the August 5, 2011 application, she only worked for [REDACTED] for 2.5 weeks. For purposes of calculating an over-issuance period, it is reasonable to conclude that she was no longer employed at [REDACTED] by the end of August 2011.

October 9, 2011 to June 16, 2012, would be a proper over-issuance period for Respondent's failure to report the end of her employment at [REDACTED].

Over-issuance Amount

BAM 720 states the over-issuance amount is the benefit amount the client actually received minus the amount the client was actually eligible to receive.

[REDACTED]

Evidence in the record and the applicable Department policies have established an over-issuance period of February 1, 2009 to May 22, 2010 associated with this IPV Child Development and Care (CDC) over-issuance. The Department presented a benefit summary showing that the State of Michigan issued Respondent a total of \$ [REDACTED] in Child Development and Care (CDC) benefits during the over-issuance period. Respondent was not eligible for any Child Development and Care (CDC) benefits during this period because she had no valid need reason. Respondent received a \$ [REDACTED] over-issuance of Child Development and Care (CDC) benefits.

[REDACTED]

Evidence in the record and the applicable Department policies have established an over-issuance period of April 10, 2011 to May 7, 2011 associated with this Agency Error Child Development and Care (CDC) over-issuance. The Department presented a benefit summary of all the Child Development and Care (CDC) benefits issued to Respondent. From that evidence it was determined that the State of Michigan issued Respondent a total of \$ [REDACTED] in Child Development and Care (CDC) benefits between April 10, 2011 and May 7, 2011. Respondent was not eligible for any Child Development and Care (CDC) benefits during this period because she had no valid need reason. Respondent received a \$ [REDACTED] Agency Error over-issuance of Child Development and Care (CDC) benefits.

[REDACTED]

Evidence in the record and the applicable Department policies have established an over-issuance period of October 9, 2011 to June 16, 2012 associated with this IPV Child Development and Care (CDC) over-issuance. The Department presented a benefit summary showing that the State of Michigan issued Respondent a total of \$ [REDACTED] in Child Development and Care (CDC) benefits during the over-issuance

period. Respondent was not eligible for any Child Development and Care (CDC) benefits during this period because she had no valid need reason. Respondent received an \$ [REDACTED] over-issuance of Child Development and Care (CDC) benefits.

DISQUALIFICATION

Department policy contains no provisions for disqualification of a Child Development and Care (CDC) recipient. Bridges Administration Manual 720 Intentional Program Violation refers to disqualification of CDC Providers, but not recipients.

DECISION AND ORDER

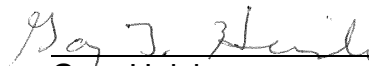
The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, finds that the Department has established by clear and convincing evidence that Respondent committed an Intentional Program Violation (IPV) which resulted in a \$ [REDACTED] over-issuance of Child Development and Care (CDC) benefits between February 1, 2009 and May 22, 2010. The Department is entitled to recoup this over-issuance in accordance with Department policies in BAM 705, BAM 710, BAM 720, and BAM 725.

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, finds that the Department has established by clear and convincing evidence that Respondent committed an Intentional Program Violation (IPV) which resulted in an \$ [REDACTED] over-issuance of Child Development and Care (CDC) benefits between October 9, 2011 and June 16, 2012. The Department is entitled to recoup this over-issuance in accordance with Department policies in BAM 705, BAM 710, BAM 720, and BAM 725.

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, finds that the Department has established that Respondent received a \$ [REDACTED] Agency Error over-issuance of Child Development and Care (CDC) benefits between April 10, 2011 and May 7, 2011. The Department is entitled to recoup this over-issuance in accordance with Department policies in BAM 705, BAM 710, BAM 720, and BAM 725.

This is Respondent's 1st Intentional Program Violation (IPV) of the Child Development and Care (CDC) Program. There is no provision for a Child Development and Care (CDC) disqualification in the Department's policies.

GH/nr



Gary Heisler
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

DHHS

[REDACTED]

Petitioner

[REDACTED]

Respondent

[REDACTED]