



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

SHELLY EDGERTON
DIRECTOR



Date Mailed: June 12, 2018
MAHS Docket No.: 18-004703
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Kevin Scully

HEARING DECISION

Following Petitioner'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 June 6, 2018, from Lansing, Michigan. Petitioner represented herself. The Department of Health and Human Services was represented by Walita Randle, Recoupment Specialist.

ISSUE

Did the Department of Health and Human Services (Department) properly determine that Petitioner received an overissuance of Food Assistance Program (FAP) benefits that must be recouped?

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 8, 2014, the Department received Petitioner's application for Medical Assistance (MA). Exhibit A, pp 19-25.
2. Petitioner reported on her April 8, 2014, application for assistance that she was employed. Exhibit A, p 22.
3. Petitioner received Food Assistance Program (FAP) benefits as a group of two totaling \$694 from May 1, 2014, through June 30, 2014. Department of Health and Human Services Reference Table Manual (RFT) 260 (December 1, 2013), p 1.

4. From May 1, 2014, through June 30, 2014, Petitioner received the maximum allotment of Food Assistance Program (FAP) benefits for a group of two based on a monthly income of \$0.
5. Petitioner was employed and received earned income from March 27, 2014, through July 17, 2014. Exhibit A, pp 16-18
6. On April 18, 2018, the Department sent Petitioner a Notice of Overissuance (DHS-4358) instructing her that she had received a \$662 overissuance of Food Assistance Program (FAP) benefits. Exhibit A, pp 2-6.
7. On April 30, 2018, the Department received Petitioner's request for a hearing protesting the recoupment of Food Assistance Program (FAP) benefits. Exhibit A, p 26.

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. Department of Human Services Bridges Administrative Manual (BAM) 700 (January 1, 2018), p 1.

Clients must report changes in circumstance that potentially affect eligibility or benefit amount. Changes must be reported within 10 days of receiving the first payment reflecting the change. Department of Health and Human Services Bridges Administrative Manual (BAM) 105 (January 1, 2018), p 12. The Department will act on a change reported by means other than a tape match within 15 workdays after becoming aware of the change, except that the Department will act on a change other than a tape match within 10 days of becoming aware of the change. Department of Health and Human Services Bridges Administrative Manual (BAM) 220 (January 1, 2018), p 7. A pending negative action occurs when a negative action requires timely notice based on the eligibility rules in this item. Timely notice means that the action taken by the department is effective at least 12 calendar days following the date of the department's action. BAM 220, p 12.

On April 8, 2014, Petitioner was an ongoing recipient of FAP benefits as a group of two receiving the maximum allotment of FAP benefits based on a \$0 monthly income when she applied for Medical Assistance (MA) benefits. Petitioner reported to the Department that she was employed on her application for assistance.

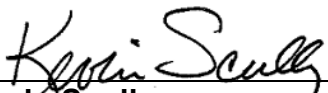
Due to Department error, Petitioner's earned income from employment was not applied towards her eligibility for FAP benefits. If the Department had properly applied Petitioner's earned income she began receiving on March 27, 2014, towards her eligibility for FAP benefits, the Department would have reduced her monthly allotment of FAP benefits by the first benefit period after April 28, 2014. From May 1, 2014, through June 30, 2014, Petitioner received FAP benefits totaling \$694, but would have been eligible for only \$32 if the Department had properly applied the earned income she was received towards her eligibility for benefits. Therefore, Petitioner received a \$662 overissuance of FAP benefits.

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department acted in accordance with Department policy when it determined that Petitioner received a \$662 overissuance of Food Assistance Program (FAP) benefits due to Department error.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

KS/hb



Kevin Scully
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) 763-0155; 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 Department Rep.

MDHHS-Recoupment
235 S Grand Ave
Suite 1011
Lansing, MI 48909

Kalamazoo County, DHHS

BSC3 via electronic mail

M. Holden via electronic mail

D. Sweeney via electronic mail

DHHS

Renee Olian
322 Stockbridge
Kalamazoo, MI 49001

Petitioner

[REDACTED]