



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM

SHELLY EDGERTON
DIRECTOR



Date Mailed: June 20, 2018
MAHS Docket No.: 17-016898
Agency No.: [REDACTED]
Petitioner: OIG
Respondent: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Jeffrey Kemm

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; Title 45 of the Code of Federal Regulation (CFR), particularly 45 CFR 205.10 and 45 CFR 235.110; and Mich Admin Code, R 792.11020. After due notice, a telephone hearing was held on June 19, 2018, from Lansing, Michigan. The Department was represented by Stephanie Avery, Regulation Agent of the Office of Inspector General (OIG). The Respondent did not appear. The hearing was held in Respondent's absence.

ISSUE

1. Did Respondent receive an overissuance (OI) of Child Development Care (CDC) benefits that the Department is entitled to recoup?

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 March 29, 2012, Respondent applied for assistance from the Department, including CDC assistance. Respondent claimed she needed CDC assistance due to employment.
2. In the application Respondent submitted on March 29, 2012, the Department instructed Respondent to report changes which could affect her eligibility for assistance to the Department within 10 days of the date of the change.
3. Respondent did not have any apparent physical or mental impairment that would limit her understanding or ability to fulfill her reporting requirement.

4. The Department found Respondent had a need for CDC assistance because she was working. The Department granted Respondent's application for CDC assistance and issued her benefits.
5. On or about May 4, 2012, Respondent's employment came to an end.
6. Respondent did not report to the Department that her employment came to an end.
7. The Department continued to issue CDC assistance to Respondent as if she had a need because she was working.
8. The Department issued \$ [REDACTED] in CDC assistance to Respondent from May 6, 2012, through June 30, 2012.
9. The Department conducted an investigation of Respondent's case and discovered that Respondent failed to report that her employment came to an end. The Department determined that it overissued Respondent \$ [REDACTED] in CDC assistance from May 6, 2012, through June 30, 2012, because Respondent did not have a need for CDC assistance while she was not working.
10. On December 21, 2017, the Department requested a hearing to establish that Respondent received an overissuance of benefits.
11. A notice of hearing was mailed to Respondent at her last known address and it was not returned by the United States Postal Services as undeliverable.

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 Title IV-A of the Social Security Act, 42 USC 601-619; the Child Care and Development Block Grant of 1990, 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.

Overissuance

When a client group receives more benefits than entitled to receive, the Department must attempt to recoup the OI. BAM 700 (December 1, 2011), p. 1. In this case, Respondent received more benefits than she was entitled to receive. CDC assistance is only available when a parent is unavailable to provide child care because of employment, participation in an approved activity and/or because of a condition for which treatment is being received and care is provided by an eligible provider. BEM

703 (April 1, 2012), p. 1. The Department found Respondent was eligible for CDC assistance because she was unavailable to provide child care due to employment. Thus, Respondent was only eligible for CDC assistance while she was employed. When Respondent's employment came to an end, Respondent was no longer eligible for CDC assistance. The Department issued benefits to Respondent when she was no longer eligible because it issued benefits to her after her employment came to an end. The Department established that Respondent was overissued \$ [REDACTED] in CDC assistance from May 6, 2012, through June 30, 2012.

The Department has not requested a disqualification, so I will not address whether Respondent committed an intentional program violation which should disqualify her from receiving future CDC assistance.


DECISION AND ORDER

The Administrative Law Judge based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, concludes that:

1. Respondent received an overissuance of CDC assistance in the amount of \$ [REDACTED] that the Department is entitled to recoup.

IT IS ORDERED THAT the Department may initiate recoupment procedures for the amount of \$ [REDACTED] in accordance with Department policy.

JK/nr



Jeffrey Kemm
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

Petitioner

OIG
PO Box 30062
Lansing, MI
48909-7562

Oakland 4 County DHHS- via electronic mail

MDHHS- Recoupment- via electronic mail

M. Shumaker- via electronic mail

DHHS

Renee Swiercz
51111 Woodward Ave 5th Floor
Pontiac, MI
48342

Respondent

