



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

SHELLY EDGERTON  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED], MI [REDACTED]

Date Mailed: July 13, 2018  
MAHS Docket No.: 18-005983  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Vicki Armstrong**

**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; 42 CFR 438.400 to 438.424; 45 CFR 99.1 to 99.33; and 45 CFR 205.10; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on July 11, 2018, from Lansing, Michigan. Petitioner and his daughter, [REDACTED], personally appeared and testified.

The Department of Health and Human Services (Department) was represented by Recoupment Specialist Michelle Corrigan and Hearing Facilitator Tonya Turkelson. Ms. Corrigan and Ms. Turkelson testified on behalf of the Department. The Department submitted 36 exhibits which were admitted into evidence. The record was closed at the conclusion of the hearing.

**ISSUE**

Did Respondent receive an overissuance (OI) of Food Assistance Program (FAP) benefits?

**FINDINGS OF FACT**

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

1. Respondent was a recipient of FAP benefits from the Department. [Hearing Summary].
2. On November 3, 2016, the Department mailed Petitioner a Notice of Case Action indicating he was approved to receive \$16.00 a month from December 1, 2016, through November 30, 2018. On page 4 of the Notice, under "Reporting

Changes,” it states, “If you receive benefits for a ...food assistance program ...it is your responsibility to notify this office within 10 days of any changes in your circumstances which may affect your eligibility for assistance. This includes changes in employment, income. . . .” Pages 5-6 of the Notice are the “Change Report” that clients are instructed to use to report changes. [Dept. Exh. 22-27]

3. On May 9, 2018, the Department received a wage verification from Boyne Highlands Resort indicating that Petitioner was employed from April 14, 2017, through March 30, 2018. [Dept. Exh. 20-21].
4. The Department had no record of Respondent reporting his income from Boyne Highlands Resort. [Hearing Summary].
5. The Department alleges Respondent received a FAP overissuance during the period of August 1, 2017, through October 31, 2017, and in March 2018, due to Respondent’s error of failing to timely report his earned income to the Department. [Dept. Exh. 1-2, 9].
6. The Department alleges that Respondent received a \$588.00 overissuance that is still due and owing to the Department. [Dept. Exh. 9-17].
7. On June 18, 2018, Respondent submitted a hearing request contesting the Department’s actions. [Hearing Request].

### **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.

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 (1/1/2018). 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.*

On May 9, 2018, the Department received a wage match from Boyne Highlands Resort indicating Respondent had been employed from April 14, 2017, through March 30, 2018. The Department had no record of Respondent reporting his income from Boyne Highlands Resort. As a result, Respondent's earned income was not budgeted.

Upon learning of Respondent's employment, the Department budgeted Respondent's earned income for the months of August through October of 2017, and the month of March 2018. Because Respondent failed to properly report his earned income, Respondent received an overissuance of \$588.00 for the period of August 1, 2017, through October 31, 2017, and March 1, 2018, through March 31, 2018.

Respondent testified that he had called his worker numerous times to report his new employment and never received a return call. Respondent's daughter also testified that she assists her father with paperwork because he has problems reading, and she too called the Department numerous times to report her father's income and never received a return call.

However, there is was no evidence that Respondent had previously informed the Department of his employment. Respondent explained that he has submitted his change in address repeatedly for the past two months to the Department, and the Department has still not corrected that.

Respondent and his daughter contend that they did their part in trying to notify the Department and that it is unfair at this point, to attempt to recoup the \$588.00 from Respondent, because they did call Respondent's worker and it is not their fault that Respondent received the overissuance, because they did their due diligence in attempting to notify the Department. Respondent did indicate that he had not completed the change report or submitted the change report to the Department.

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 \$588.00.

### **DECISION AND ORDER**

Accordingly, the Department is **AFFIRMED**.

VLA/hb



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**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) 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

**DHHS**

Sarah Johnson  
2229 Summit Park Dr.  
Petoskey, MI 49720

Charlevoix County, DHHS

BSC1 via electronic mail

M. Holden via electronic mail

D. Sweeney via electronic mail

**Petitioner**

[REDACTED]  
[REDACTED]  
[REDACTED], MI [REDACTED]