



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

SHELLY EDGERTON
DIRECTOR

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

Date Mailed: August 10, 2018
MAHS Docket No.: 18-006694
Agency No.: [REDACTED]
Respondent: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Carmen G. Fahie

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, 42 CFR 431.230(b), 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 July 31, 2018, from Lansing, Michigan. Respondent was represented by herself. The Department of Health and Human Services (Department) was represented by Denise Beard, Recoupment Specialist.

ISSUE

Did the Department properly determine that Respondent had received an overissuance (OI) of Food Assistance Program (FAP) benefits due to Respondent and Department error?

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 was a recipient of FAP benefits from the Department. Department Exhibit 1, pgs. 12-16 and 114-115.
2. Respondent applied for benefits with reported shelter expense of \$850 on August 1, 2015, September 1, 2015, January 19, 2016, and January 9, 2017. Department Exhibit 1, pgs. 83-108.

3. On August 15, 2017, the Department became aware that Respondent was a recipient of Section 8 assistance, which gave a shelter expense of \$0, but failed to remove the \$850 shelter expense from the budget until April 1, 2018. Department Exhibit 1, pgs. 27-30, and 116.
4. The Department alleges that Respondent received a FAP overissuance during the period of September 1, 2015, through August 31, 2017, due to Respondent's error and Department's error from the period September 1, 2017, through March 31, 2018. Department Exhibit 1, pgs. 31-81 and 125-139.
5. The Department alleges that Respondent received \$4,065 FAP OI due Respondent's error and \$1,353 FAP OI due to Department's error that is still due and owing to the Department. Department Exhibit 1, pgs. 31-81 and 125-139.
6. On July 5, 2018, the Department received a hearing request from Respondent, contesting the Department's negative action.

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.

Additionally, Respondent reported during the hearing that she has always reported the \$850 obligation for shelter expenses, but submitted her Section 8 verification, which brought her shelter expenses to \$0, with previous workers. She did not notice that subsequently through the Notice of Benefits that her shelter expense was no longer \$0, but \$850. On August 15, 2017, the Department became aware that Respondent was a recipient of Section 8 assistance, which gave a shelter expense of \$0, but failed to remove the \$850 shelter expense from the budget until April 1, 2018. Department Exhibit 1, pgs. 27-30, and 116. BAM 105, 200, 210, 220, 300, 700, 705, 715, and 725. BEM 500, 501, 503, 550, and 554.

As a result, Respondent received an OI of FAP benefits during the period of September 1, 2015, through August 31, 2017, due to Respondent's error and Department's error from the period September 1, 2017, through March 31, 2018. Department Exhibit 1, pgs. 31-81 and 125-139. The Department alleges Respondent received \$4,065 FAP OI due Respondent's error and \$1,353 FAP OI due to

Department's error, which is still due and owing to the Department for a total OI of \$5,418. Department Exhibit 1, pgs. 31-81 and 125-139.

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, finds that the Department **did** establish a FAP benefit OI to Respondent totaling \$5,418.

DECISION AND ORDER

Accordingly, the Department is **AFFIRMED**.

The Department is ORDERED to initiate collection procedures for a FAP \$5,418 OI in accordance with Department policy.



CF/dh

Carmen G. Fahie
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

Jeanette Cowens
2524 Clark Street
Detroit, MI 48209

Wayne County (District 41), DHHS

BSC4 via electronic mail

M. Holden via electronic mail

D. Sweeney via electronic mail

DHHS Department Rep.

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

Petitioner

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