



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

SHELLY EDGERTON  
DIRECTOR

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

Date Mailed: September 14, 2018  
MAHS Docket No.: 18-007546  
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 September 6, 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 Respondent receive an over-issuance (OI) of Food Assistance Program (FAP) benefits due to 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 4.
2. She did not report her earned income until her Semi-Annual Contact Report, DHS 1046, submitted to the Department on October 28, 2015. Department Exhibits 2 and 3.
3. On May 19, 2017, an overissuance referral was received on Respondent that the Department had failed to count earned income from [REDACTED] reported

by Respondent on her Semi-Annual Contact submitted to the Department on October 28, 2015. Department Exhibit 1, 5, and 6.

4. The Department alleges Respondent received an FAP OI during the period December 1, 2015, through April 30, 2016, due to Department's error. Department Exhibit 7.
5. The Department alleges that Respondent received a \$728.00 OI that is still due and owing to the Department. Department Exhibit 7.
6. On July 11, 2018, the Department sent Respondent a notice that she had received an overissuance of FAP benefits due to Department error. Department Exhibit 8.
7. On July 24, 2018, the Department received a hearing request from Respondent, contesting the Department overissuance decision.

### **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), and Department of Health and Human Services Reference Tables Manual (RFT).

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 to .3015.

In this case, Department failed to budget Respondent's earned income reported on October 28, 2015. She did report her earned income on her Semi-Annual Contact Report, DHS 1046, submitted to the Department on October 28, 2015. However, the Department Caseworker failed to budget the earned income when determining Respondent's eligibility for FAP benefits. As a result, Respondent received an overissuance of FAP benefits that the Department is required to recoup. BAM 105, 220, 700, and 705. BEM 501.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, finds that the Department did establish an FAP benefit OI to Respondent totaling \$728.00 from December 1, 2015, through April 30, 2016. Accordingly, the Department is **AFFIRMED**.

The Department is ORDERED to initiate collection procedures for a \$728.00 FAP OI in accordance with Department policy.

CF/dh



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**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

