



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

SHELLY EDGERTON
DIRECTOR

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

Date Mailed: October 30, 2018
MAHS Docket No.: 18-009835
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, a telephone hearing was held on October 24, 2018, from Lansing, Michigan. Petitioner represented herself. The Department of Health and Human Services was represented by Patrick Lynaugh.

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 August 29, 2014, the Department received Petitioner's Redetermination (DHS-1010) where she reported receiving a gross income of \$ [REDACTED] Exhibit A, pp 43-48.
2. On September 11, 2014, the Department notified Petitioner that she was eligible for Food Assistance Program (FAP) benefits based on a household income in the gross monthly amount of \$ [REDACTED] Exhibit A, pp 36-42.
3. On September 22, 2014, the Department notified Petitioner that she was eligible for ongoing Food Assistance Program (FAP) benefits as a group of two based on a household income in the gross monthly amount of \$ [REDACTED] Exhibit A, pp 32-35.

4. On September 22, 2014, the Department notified Petitioner that she was eligible for Food Assistance Program (FAP) benefits based on a household income in the gross monthly amount of \$[REDACTED] Exhibit A, pp 32-35.
5. On February 26, 2015, Petitioner was an ongoing Food Assistance Program (FAP) recipient as a group of two when the Department received her Semi-Annual Contact Report (DHS-1046) where she reported that her household income had not increased more than \$100 from the gross monthly amount of \$[REDACTED] that the Department used to determine her eligibility for ongoing benefits. Exhibit A, pp 30-31.
6. Petitioner receives earned income in the gross monthly amount of \$[REDACTED] in February of 2015, and she failed to report that her earned income had increased by more than \$100 over the reported amount of \$[REDACTED] from May 1, 2015, through September 30, 2015. Exhibit A, pp 22-29.
7. Petitioner received Food Assistance Program (FAP) benefits totaling \$1,105 from May 1, 2015, through September 30, 2015. Exhibit A, p 7.
8. On August 28, 2018, the Department sent Petitioner a Notice of Overissuance (DHS-4358-A) instructing her that she had received a \$939 overissuance of Food Assistance Program (FAP) benefits. Exhibit A, pp 1-5.
9. On September 10, 2018, the Department received Petitioner's request for a hearing protesting the recoupment of Food Assistance Program (FAP) benefits.

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 within 10 days of receiving the first payment reflecting the change. Changes

that must be reported include increases in earned income. Department of Human Services Bridges Assistance Manual (BAM) 105 (October 1, 2016), pp 1-20.

Petitioner was an ongoing FAP recipient on August 29, 2014, when the Department received Petitioner's Redetermination (DHS-1010) form where she reported receiving earned income from employment. On September 11, the Department notified Petitioner that she was eligible for ongoing FAP benefits based on household income in the gross monthly amount of \$[REDACTED]. On September 22, 2014, the Department notified Petitioner that she was eligible for FAP benefits based on household income in the gross monthly amount of \$[REDACTED].

On February 26, 2015, the Department received Petitioner's Semi-Annual Contact Report (DHS-1046) where she reported that her household income had not increased by more than \$100 from the reported gross monthly amount of \$[REDACTED].

Petitioner did not accurately report her earned income on her February 26, 2015, Semi-Annual Contact Report, and she failed to report an increase of earned income of more than \$100 from May 1, 2015, through September 30, 2015.

Petitioner received Food Assistance Program (FAP) benefits totaling \$1,105 from May 1, 2015, through September 30, 2015, but she would have been eligible for only \$166 of those benefits if she had reported her increased household income in a timely manner. Therefore, Petitioner receive a \$939 overissuance of FAP benefits.

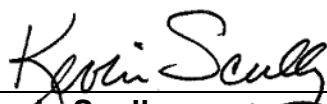
Petitioner testified that she had called her caseworker and reported that her earned income had increased. No evidence was presented on the record that Petitioner notified the Department that her earned income had increased or that she had provided the Department with verification of her earned income.

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 an overissuance of Food Assistance Program (FAP) benefits due to her failure to report an increase of household income in a timely manner.

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

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], MI [REDACTED]