



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

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

Date Mailed: April 4, 2019
MAHS Docket No.: 19-002046
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Jeffrey Kemm

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; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on April 3, 2019, from Lansing, Michigan. Petitioner, [REDACTED] [REDACTED] appeared and represented herself. Recoupment Specialist, Julie Barr, appeared on behalf of the Department of Health and Human Services (Department). Neither party had any additional witnesses.

One exhibit was admitted into evidence during the hearing. A 117-page packet of documents provided by the Department was admitted collectively as the Department's Exhibit A.

ISSUE

Does Petitioner owe the Department a debt for Food Assistance Program (FAP) benefits that were overissued to her?

FINDINGS OF FACT

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

1. Petitioner received FAP benefits from the Department.
2. While Petitioner was receiving FAP benefits from the Department, one of Petitioner's household members obtained employment in November 2017.
3. Petitioner reported to the Department that one of her household members obtained employment.

4. The Department did not take any action to verify that Petitioner's FAP benefits were budgeted correctly after Petitioner reported that one of her household members obtained employment.
5. The Department continued to issue FAP benefits to Petitioner as if Petitioner did not have additional household income.
6. The Department investigated Petitioner's case and determined that Petitioner was overissued FAP benefits due to an error because the Department did not budget all of Petitioner's household income.
7. The Department notified Petitioner that it overissued her \$1,924.00 in FAP benefits from April 2018 through October 2018.
8. On February 25, 2019, Petitioner filed a hearing request to dispute the Department's debt collection.

CONCLUSIONS OF LAW

The Supplemental Nutrition Assistance Program (SNAP) is a federal food assistance program designed to promote general welfare and to safeguard well-being by increasing food purchasing power. 7 USC 2011 and 7 CFR 271.1. The Department administers its Food Assistance Program (FAP) pursuant to MCL 400.10; the Social Welfare Act, MCL 400.1-119b; and Mich Admin Code, R 400.3001 to .3015. Department policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Overissuance

A recipient claim is an amount owed because of benefits that were overpaid or benefits that were trafficked. 7 CFR 273.18(a)(1). When a client group receives more benefits than entitled to receive, the Department must attempt to recoup the overissuance. BAM 700 (October 1, 2018), p. 1. The overissuance amount is the amount of benefits in excess of the amount the client was entitled to receive. Id. at p. 2. Overissuance for FAP that result from the Department's error must be pursued by the Department when the amount is greater than or equal to \$250.

In this case, the Department presented sufficient evidence to establish that Petitioner received more FAP benefits than she was entitled to receive. FAP benefits are income-based, so the amount of income a household has determines the household's FAP benefit. The Department issued FAP benefits to Petitioner without budgeting all of her household income. This caused the Department to issue Petitioner more FAP benefits than she was actually entitled to receive.

The Department presented sufficient evidence to establish that Petitioner was overissued \$1,924.00 in FAP benefits from April 2018 through October 2018. The Department issued Petitioner \$1,924.00 in FAP benefits from April 2018 through

October 2018. Petitioner's household income exceeded the monthly income limit for FAP benefits for a household of three during each month from April 2018 through October 2018. RFT 250. Since Petitioner's household income exceeded the limit for FAP benefits, Petitioner was not eligible for any of the FAP benefits she received from April 2018 through October 2018. Therefore, the \$1,924.00 in FAP benefits issued to Petitioner from April 2018 through October 2018 were overissued.

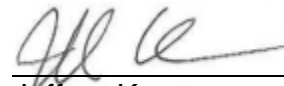
Petitioner received the overissuance due to the Department's error. However, the Department acted in accordance with its policies when it pursued the overissuance because the amount involved was greater than or equal to \$250.00.

DECISION AND ORDER

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 did act in accordance with its policies and the applicable law when pursued Petitioner for an overissuance of \$1,924.00 in FAP benefits.

IT IS ORDERED that the Department may initiate recoupment procedures to collect the \$1,924.00 debt Respondent owes the Department for the FAP benefits she was overissued.

JK/nr



Jeffrey Kemm
Administrative Law Judge
for Robert Gordon, 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

Andrea Stevenson (Chippewa DHHS)
463 East 3 Mile Rd.
Sault Ste. Marie, MI
49783

Chippewa County DHHS- via electronic
mail

OIG- via electronic mail

DHHS Department Rep.

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

Petitioner

[REDACTED]
[REDACTED] MI
[REDACTED]