



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ORLENE HAWKS
DIRECTOR

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

Date Mailed: August 12, 2019
MOAHR Docket No.: 19-007138
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, telephone hearing was held on August 8, 2019, from Lansing, Michigan. Petitioner represented herself. The Department was represented by Rhonda Holland and Jennifer Cole.

ISSUE

Did the Department of Health and Human Services (Department) properly determine that Petitioner received an overissuance of Family Independence Program (FIP) and Food Assistance Program (FAP) benefits?

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 [REDACTED] [REDACTED] 2018, the Department received Petitioner's application for cash assistance, Food Assistance Program (FAP) benefits, and Medical Assistance (MA). Exhibit A, pp 7-15.
2. On May 17, 2018, Petitioner started employment and received earned income from May 18, 2019, through December 26, 2019. Petitioner's employment ended effective January 5, 2019. Exhibit A, pp 30-33.
3. On June 5, 2018, Petitioner reported to a Michigan Works! agency that she was starting employment. Exhibit A, p 89.

4. The hearing record supports a finding that Petitioner regularly reported her work hours and earned income to the Department as a condition of receiving Family Independence Program (FIP) benefits. Exhibit A, pp 88-91.
5. On June 6, 2018, the Department notified Petitioner that she was approved for Family Independence Program (FIP) benefits in the amount of \$492 as a group of three with [REDACTED] income. Exhibit A, pp 20-23.
6. On September 8, 2018, the Department notified Petitioner that she was approved for Food Assistance Program (FAP) benefits in the amount of \$505 as a group of three with Family Independence Program (FIP) benefits as their only income. Exhibit A, pp 24-29.
7. On January 4, 2019, Petitioner's case was referred for review for a suspected overissuance of Family Independence Program (FIP) and Food Assistance Program (FAP) benefits. Exhibit A, p 6.
8. Petitioner received Family Independence Program (FIP) benefits totaling \$3,156 from August 1, 2018, through January 31, 2019.
9. On July 3, 2019, the Department received Petitioner's request for a hearing protesting the recoupment of Family Independence Program (FIP) and Food Assistance Program (FAP) benefits. Exhibit A, pp 3-4.
10. On July 12, 2019, the Department sent Petitioner a Notice of Overissuance (DHS-4358-A) instructing her that she had received a \$3,156 overissuance of Family Independence Program (FIP) benefits. Exhibit A, p 123.
11. Petitioner received Food Assistance Program (FAP) benefits totaling \$3,028 from August 1, 2018, through January 31, 2019.
12. On July 12, 2019, the Department sent Petitioner another Notice of Overissuance (DHS-4358-A) instructing her that she had received a \$2,468 overissuance of Food Assistance Program (FAP) benefits. Exhibit A, p 129.

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 Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Department of Human Services) administers FIP pursuant to 45 CFR 233-260, MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3101-.3131.

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 (October 1, 2018), p 1.

Petitioner applied for cash, food, and medical assistance on [REDACTED] 2018. At that time, her household of three was not receiving any income, and the Department approved her for the maximum amount of FIP and FAP benefits available.

Petitioner started employment on May 17, 2018. Petitioner reported this employment, and regularly reported her earned income to the Michigan Works! agency managing her participation in the Partnership. Accountability. Training. Hope. (PATH) program.

No evidence was presented on the record that this earned income was reported to Petitioner's case worker and applied towards her eligibility for benefits. Since she did report it as a condition of receiving FIP benefits, this information was discoverable by the Department.

Petitioner continued to receive FIP and FAP benefits as a group of three with no income. Petitioner received FIP benefits totaling \$3,156 but would not have been eligible for any of those benefits if the Department had considered her earned income from employment. The evidence does not support a finding that Petitioner concealed her income from the Department, or reported false information, but it does support a finding that she received FIP benefits that she was not eligible for.


Petitioner received FAP benefits totaling \$3,028 from August 1, 2018, through January 31, 2018. If the Department had considered her earned income from employment, then Petitioner would have been eligible for only \$560 of those benefits. Therefore, Petitioner received a \$2,468 overissuance of FAP benefits.

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 Family Independence Program (FIP) and Food Assistance Program (FAP) benefits due to Department error because her income was not applied towards her eligibility for ongoing benefits when that information was discoverable by the Department.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

KS/nr



Kevin Scully
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 Office of Administrative Hearings and Rules (MOAHR).

A party may request a rehearing or reconsideration of this Order if the request is received by MOAHR 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. MOAHR will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MOAHR. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MOAHR Rehearing/Reconsideration Request.

If submitted by mail, the written request must be addressed as follows:

Michigan Office of Administrative Hearings and Rules
Reconsideration/Rehearing Request
P.O. Box 30639
Lansing, Michigan 48909-8139

DHHS

Deborah Little
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Petitioner

[REDACTED]
MI