GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS DIRECTOR



Date Mailed: August 1, 2022 MOAHR Docket No.: 22-002714

Agency No.:

Petitioner:

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 July 27, 2022, from Lansing, Michigan. Petitioner represented herself. The Department was represented by Alisha Young.

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 2019, the Department received Petitioner's application for Food Assistance Program (FAP) benefits where she acknowledged the duties and responsibilities of receiving benefits. Exhibit A, pp 55-60.
- 2. During an eligibility interview conducted on October 7, 2019, Petitioner reported that she was not receiving any income. Exhibit A, pp 53-54.
- 3. On October 29, 2019, the Department notified Petitioner that she was eligible for Food Assistance Program (FAP) benefits as a household of one not receiving any income. Exhibit A, pp 46-52.
- 4. On April 23, 2020, the Unemployment Insurance Agency (UIA) notified Petitioner that she qualified for unemployment benefits effective March 22, 2020. Exhibit A, p 24.

- 5. Petitioner's bank statements show that her unemployment benefits were being deposited into her bank account. Exhibit A, pp 29-39.
- 6. Petitioner was an ongoing Food Assistance Program (FAP) recipient from June 1, 2020, through July 31, 2020. Exhibit A, p 16.
- 7. On June 14, 2022, the Department sent Petitioner a Notice of Overissuance instructing her that she had received a \$388 overissuance of Food Assistance Program (FAP) benefits during the period of June 1, 2020, through July 31, 2020. Exhibit A, pp 9-14.
- 8. On July 29, 2020, the Department received Petitioner's Renew Benefits form where she reported receiving unemployment benefits. Exhibit A, pp 43-45.
- 9. On June 22, 2022, the Department received Petitioner's request for a hearing protesting the recoupment of Food Assistance Program (FAP) benefits. Exhibit A, pp 7-8.

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) is funded under the federal Supplemental Nutrition Assistance Program (SNAP) established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 through 7 USC 2036a. It is implemented by the federal regulations contained in 7 CFR 273. The Department administers FAP pursuant to MCL 400.10 of the Social Welfare Act, MCL 400.1 *et seq*, and Mich Admin Code, R 400.3001 through 400.3011.

A recipient claim is an amount owed because of benefits that are overpaid and the Department must establish and collect any claim. 7 CFR 273.18(a). 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.

On 2019, the Department received Petitioner's application for FAP benefits. On October 29, 2019, the Department notified Petitioner that she was eligible for FAP benefits as a household of one not receiving any income.

On April 23, 2020, the Unemployment Insurance Agency (UIA) notified Petitioner that she qualified for employment benefits effective March 22, 2020. Petitioner failed to report these benefits to the Department. Petitioner continued to receive FAP benefits as a household of one not receiving any income, but her actual unemployment benefits in June and July exceeded the gross monthly income limit to be eligible for any FAP

benefits. If Petitioner had remained eligible for any FAP benefits, she would have continued to receive the maximum available allotment of FAP benefits due to emergency Covid-19 supplements being granted by the Department, but if Petitioner had reported her unemployment benefits in a timely manner, the Department would have closed her FAP benefits based on her gross monthly income.

Petitioner testified that she was not aware that she was receiving unemployment benefits.

The hearing records do not support a finding that Petitioner was not aware that she was receiving unemployment benefits. Petitioner received written notice from the UIA that she was qualified for unemployment benefits, and the hearing record supports a finding that these benefits were deposited into her bank account.

Petitioner testified that the UIA retroactively changes its records of her unemployment benefits.

The hearing records do not support a finding that the unemployment benefits that Petitioner was entitled to were not available for her in June and July of 2020, or that they should have been excluded from her countable 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 a \$388 overissuance of Food Assistance Program (FAP) benefits that the Department is required to recoup.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

KS/nr

Administrative Law Judge

Michigan Office of Administrative Hearings and

Rules (MOAHR)

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

<u>Via Electronic Mail :</u> DHHS

Amber Gibson Ingham County DHHS 5303 South Cedar PO Box 30088 Lansing, MI 48911

DHHS Department Rep.

Overpayment Research and Verification (ORV) 235 S Grand Ave Suite 1011 Lansing, MI 48909

Interested Parties
Ingham County DHHS

Recoupment L. Bengel

<u>Via First Class Mail :</u> Petitioner

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