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.: 22-002716

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 28, 2022, from Lansing, Michigan. Petitioner represented himself. The Department was represented by Jody Anderson.

<u>ISSUE</u>

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 April 29, 2021, the Department notified Petitioner that he was eligible for Food Assistance Program (FAP) benefits as a household of one receiving a gross monthly income of \$ consisting of only unearned income (Social Security). Exhibit A, pp 45-49.
- 2. Petitioner started new employment on October 5, 2021, and received earned income from that employment from October 29, 2021, through May 27, 2022. Exhibit A, pp 33-34.
- 3. Petitioner was receiving monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of as of December 1, 2021. Exhibit A, pp 34-35.
- 4. On April 15, 2022, the Department received Petitioner's Redetermination form where he reported receiving Retirement, Survivors, and Disability Insurance

(RSDI) benefits and earned income in the gross bi-weekly amount of \$_______ Exhibit A, pp 39-43.

- 5. Petitioner received Food Assistance Program (FAP) benefits from December 1, 2021, through May 31, 2022. Exhibit A, pp 17-18.
- 6. On June 22, 2022, the Department sent Petitioner a Notice of Overissuance instructing him that he had received a \$1,986 overissuance of Food Assistance Program (FAP) benefits during the period of December 1, 2021, through May 31, 2022. Exhibit A, pp 12-16.
- 7. On June 28, 2022, the Department received Petitioner's request for a hearing protesting the recoupment of Food Assistance Program (FAP) benefits. Exhibit A, pp 5-6.

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.

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 changes of employment status and increases of eared income. Department of Human Services Bridges Assistance Manual (BAM) 105 (October 1, 2019), pp 1-20.

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. 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).

On April 29, 2021, Petitioner was an ongoing FAP recipient as a household of one receiving a gross monthly income of \$ consisting of only unearned income and no earned income from employment.

Petitioner started new employment on October 5, 2021, and his gross monthly income increased. This increase of income was not reported to the Department until April 15,

2022. If Petitioner had reported his increased monthly earnings to the Department in a timely manner, he would not have been eligible for any FAP benefits from December 1, 2021, through May 31, 2022, due to that income. Therefore, Petitioner received an "overissuance" of FAP benefits totaling \$1,986.

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 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

Via Electronic Mail: DHHS

Michelle Morley Roscommon County DHHS 715 S Loxley Rd Houghton Lake, MI 48629

Interested Parties

Roscommon County DHHS Recoupment L. Bengel

DHHS Department Rep.

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

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

, MI