



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
SUZANNE SONNEBORN
EXECUTIVE DIRECTOR

MARLON I. BROWN, DPA
DIRECTOR

[REDACTED], MI [REDACTED]

Date Mailed: March 20, 2024
MOAHR Docket No.: 24-001459
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Danielle R. Harkness

HEARING DECISION

On February 1, 2024, Petitioner, [REDACTED] [REDACTED] requested a hearing to dispute a Food Assistance Program (FAP) benefit overissuance. Following Petitioner's hearing request, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9, 7 CFR 273.15, 45 CFR 205.10, and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on March 14, 2024. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Julie Luczak, Overpayment Establishment Analyst.

A 84-page packet of documents provided by the Department was admitted collectively as the Department's Exhibit A.

ISSUE

Did the Department properly determine that Petitioner owes the Department a debt of \$1,696.00 for FAP benefits that were overissued to her from June 1, 2021, through July 31, 2021, and from September 1, 2021, through January 31, 2022?

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 February 4, 2021, the Department mailed a Redetermination to Petitioner to renew her eligibility for FAP benefits. The form instructed Petitioner to complete the form and then return it to the Department by February 24, 2021.
2. On February 23, 2021, Petitioner submitted the completed Redetermination.

3. On March 22, 2021, the Department mailed a Notice of Case Action to Petitioner to notify her that she was approved for a FAP benefit of \$16.00 per month from April 1, 2021, through March 31, 2022. The notice instructed Petitioner to report to the Department when her household income exceeds the simplified reporting income limit of \$1,383.00.
4. Petitioner received a monthly COVID-19 supplement of \$216.00 resulting in Petitioner receiving a total monthly FAP benefit of \$232.00 ($\$16.00 + \$216.00 = \232.00) from June 1, 2021, through September 30, 2021.
5. On September 22, 2021, the Department mailed a Notice of Case Action to Petitioner to notify her that she was approved for a FAP benefit of \$20.00 from October 1, 2021, through March 31, 2022. The notice instructed Petitioner to report to the Department when her household income exceeds the simplified reporting income limit of \$1,396.00.
6. Petitioner received a monthly COVID-19 supplement of \$230.00 resulting in Petitioner receiving a total monthly FAP benefit of \$250.00 ($\$20.00 + \$230.00 = \250.00) from October 1, 2021, through January 31, 2022.
7. From April 2021, through February 2022, Petitioner received the following gross wages from her employment at Wal-██████████
 - a. \$ ██████████ in April 2021
 - b. \$ ██████████ in May 2021
 - c. \$ ██████████ in June 2021
 - d. \$ ██████████ in July 2021
 - e. \$ ██████████ in August 2021
 - f. \$ ██████████ in September 2021
 - g. \$ ██████████ in October 2021
 - h. \$ ██████████ in November 2021
 - i. \$ ██████████ in December 2021
 - j. \$ ██████████ in January 2022
 - k. \$ ██████████ in February 2022
8. Petitioner received monthly Social Security Administration (SSA) benefits in the amount of \$1,308.00 from April 2021, through December 2021, and \$1,385.00 in January and February 2022.

9. The Department was unaware of Petitioner's income, so the Department continued to issue FAP benefits to Petitioner without considering her income.
10. The Department issued Petitioner \$232.00 per month in FAP benefits from June 1, 2021, through July 31, 2021, and in September 2021; and \$250.00 per month in FAP benefits from September 1, 2021, through January 31, 2022.
11. After reviewing Petitioner's FAP case, the Department became aware of Petitioner's income that was not being considered when issuing Petitioner's FAP benefits from June 1, 2021, through July 31, 2021, and from September 1, 2021, through January 31, 2022.
12. The Department recalculated Petitioner's FAP benefit amount from June 1, 2021, through July 31, 2021, and from September 1, 2021, through January 31, 2022, by budgeting Petitioner's income. The Department determined that Petitioner was not eligible for any FAP benefits from June 1, 2021, through July 31, 2021, and from September 1, 2021, through January 31, 2022.
13. The Department determined that Petitioner was overissued \$1,696.00 in FAP benefits from June 1, 2021, through July 31, 2021, and from September 1, 2021, through January 31, 2022.
14. On January 26, 2024, the Department notified Petitioner of the overissuance.
15. On February 1, 2024, Petitioner requested a hearing to dispute the overissuance.

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 FAP 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 administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

In this case, the Department determined that it overissued FAP benefits to Petitioner because it did not properly budget Petitioner's income. When a client receives more benefits than she was 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 eligible to receive. *Id.* at p. 2. Based on the evidence presented, the Department overissued FAP benefits to Petitioner.

From June 1, 2021, through July 31, 2021, and from September 1, 2021, through January 31, 2022, Petitioner was issued \$1,696.00 in FAP benefits. The Department issued these FAP benefits to Petitioner without properly budgeting Petitioner's income. This caused the Department to issue Petitioner more FAP benefits than she was eligible to receive. The overissuance was due to Petitioner's error because Petitioner did not report her income in a timely manner. Based on Petitioner's income, Petitioner was not eligible for any FAP benefits from June 1, 2021, through July 31, 2021, and from September 1, 2021, through January 31, 2022. Thus, Petitioner was overissued \$1,696.00 in FAP benefits from June 1, 2021, through July 31, 2021, and from September 1, 2021, through January 31, 2022.

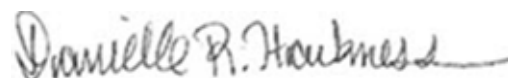
At the hearing, Petitioner indicated that she received the March 22, 2021, Notice of Case Action but only read the first page. Petitioner indicated that she has a difficult time understanding notices such as these but did not ask the Department for assistance because she did not know if they could help her. In this case, the Department properly instructed Petitioner of the simplified reporting requirements and no evidence was presented to show that the Department's actions were improper.

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 acted in accordance with its policies and the applicable law when it determined that Petitioner owes the Department a debt of \$1,696.00 for FAP benefits that were overissued to her from June 1, 2021, through July 31, 2021, and from September 1, 2021, through January 31, 2022.

Accordingly, the Department's decision is AFFIRMED.

DH/nr



Danielle R. Harkness
Administrative Law Judge

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
Gary Leathorn
Sanilac County DHHS
515 South Sandusky
Sandusky, MI 48471
**MDHHS-StClair-
Hearings@michigan.gov**

Interested Parties
St. Clair County DHHS
MDHHS Recoupment
N. Stebbins
MOAHR

DHHS Department Rep.
Overpayment Establishment Section
(OES)
235 S Grand Ave Ste 811
Lansing, MI 48909
**MDHHS-RECOUPMENT-
HEARINGS@Michigan.gov**

Via-First Class Mail :

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