



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]
[REDACTED], MI [REDACTED]

Date Mailed: April 5, 2024
MOAHR Docket No.: 24-002264
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Danielle R. Harkness

HEARING DECISION

On February 20, 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 April 4, 2024. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Michele Welch, Overpayment Analyst.

An 80-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 \$2,174.00 for FAP benefits that were overissued to her from April 1, 2022, through May 31, 2022, due to a client error?

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 September 13, 2021, Petitioner submitted a Redetermination for FAP benefits to the Department.
2. On October 4, 2021, a Redetermination interview was completed. Petitioner did not report that her FAP group received any income.

3. On October 4, 2021, the Department mailed a Notice of Case Action to Petitioner to notify her that she was approved for a FAP benefit of \$992.00 per month from November 1, 2021, through October 31, 2022. The notice instructed Petitioner that she must report any changes in employment or income to the Department within 10 days.
4. From April 1, 2022, through May 31, 2022, Petitioner received a monthly COVID-19 supplement of \$95.00 resulting in Petitioner receiving a total monthly FAP benefit of \$1,087.00 (\$992.00 + \$95.00).
5. On October 13, 2022, the Department became aware of Petitioner's group's income from Farmers Insurance Group and Express Employment Professionals via The Work Number.
6. Petitioner received gross income from her employment at Farmers Insurance Group of \$4,771.47 in April 2022 and \$3,403.52 in May 2022.
7. Petitioner's husband received gross income from his employment at [REDACTED] [REDACTED] of \$ [REDACTED] in April 2022 and \$ [REDACTED] in May 2022.
8. The Department was unaware of Petitioner's group's income, so the Department continued to issue FAP benefits to Petitioner without considering Petitioner's group's income.
9. The Department recalculated Petitioner's FAP benefit amount from April 1, 2022, through May 31, 2022, by budgeting Petitioner's group's income. The Department determined that Petitioner was not eligible for any FAP benefits from April 1, 2022, through May 31, 2022.
10. The Department determined that Petitioner was overissued \$2,174.00 in FAP benefits from April 1, 2022, through May 31, 2022, due to client error.
11. The Department failed to consider Petitioner's group's income when issuing Petitioner's April and May 2022 FAP benefits.
12. On February 9, 2024, the Department notified Petitioner of the overissuance.
13. On February 20, 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 group's income. When a client receives more benefits than the client 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 April 1, 2022, through May 31, 2022, Petitioner was issued \$2,174.00 in FAP benefits. The Department issued these FAP benefits to Petitioner without properly budgeting Petitioner's group'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 group's income in a timely manner. Based on Petitioner's income, Petitioner was not eligible for any FAP benefits from April 1, 2022, through May 31, 2022. Thus, Petitioner was overissued \$2,174.00 in FAP benefits from April 1, 2022, through May 31, 2022.

From April 1, 2022, through May 31, 2022, Petitioner was issued \$2,174.00 in FAP benefits. The Department did not become aware of Petitioner's group's income before issuing FAP benefits to Petitioner from April 1, 2022, through May 31, 2022. The Department presented sufficient evidence to establish that the total amount overissued was \$2,174.00, from April 1, 2022, through May 31, 2022, and Petitioner did not present any evidence to rebut the Department's evidence. Therefore, I must find that the Department properly determined that Petitioner owes the Department a debt of \$2,174.00 for FAP benefits issued to her from April 1, 2022, through May 31, 2022.

At the hearing, Petitioner disputed the Department's calculation of her group's gross income for April and May 2022. Petitioner indicated that she was in the process of getting paycheck stubs/pay statement information to verify her group's gross income for April and May 2022. Petitioner was advised to submit this information to the Department. The department representative indicated that if Petitioner submits this information, that her group's gross income amounts for April and May 2022 can be reviewed.

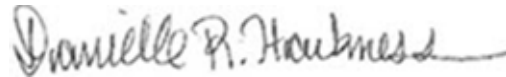
Further, Petitioner stated she thought that she timely reported her group's changes and that she had attempted to contact the Department numerous times via telephone and email but did not receive a response. Petitioner indicated that she may have emails of this correspondence but was unable to submit them prior to the hearing.

In this case, the Department properly instructed Petitioner of the requirement to report changes in her income 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 \$2,174.00 for FAP benefits that were overissued to her from April 1, 2022, through May 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
Megan Sterk
Allegan County DHHS
3255 122nd Ave Ste 300
Allegan, MI 49010
**MDHHS-Allegan-
Hearings@michigan.gov**

Interested Parties
Allegan 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], MI [REDACTED]