



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]
[REDACTED] MI [REDACTED]

Date Mailed: April 18, 2024
MOAHR Docket No.: 24-002735
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Danielle R. Harkness

HEARING DECISION

On March 4, 2024, Petitioner, [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 17, 2024. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Alisha Young, Overpayment Establishment Analyst.

A 130-page packet of documents provided by the Department was admitted collectively as the Department's Exhibit A.

ISSUES

Did the Department properly determine that Petitioner owes the Department a debt of \$2,359.00 for FAP benefits that were overissued to her from August 1, 2019, through February 29, 2020, 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 [REDACTED] 2019, Petitioner applied for FAP benefits.
2. On April 18, 2019, the Department mailed a Notice of Case Action to Petitioner to notify her that she was approved for a FAP benefit of \$164.00 from April 17, 2019, through April 30, 2019, and \$353.00 from May 1, 2019, through May 31, 2019. The notice instructed Petitioner that she must report any changes in employment or income to the Department within 10 days.
3. On May 2, 2019, the Department mailed a Notice of Case Action to Petitioner to notify her that she was approved for a FAP benefit of \$353.00 from June 1, 2019,

through March 31, 2020. The notice instructed Petitioner that she must report any changes in employment or income to the Department within 10 days.

4. On April 17, 2020, the Department mailed a Notice of Case Action to Petitioner to notify her that she was approved for a FAP benefit of \$165.00 from April 17, 2020, through April 30, 2020, and \$355.00 from May 1, 2020, through May 31, 2020. The notice instructed Petitioner that she must report any changes in employment or income to the Department within 10 days.
5. From August 2019 through February 2020, Petitioner received the following gross wages from her employment at [REDACTED]:
 - a. [REDACTED] in [REDACTED] 2019
 - b. [REDACTED] in [REDACTED] 2019
 - c. [REDACTED] in [REDACTED] 2019
 - d. [REDACTED] in [REDACTED] 2019
 - e. [REDACTED] in [REDACTED] 2019
 - f. [REDACTED] in [REDACTED] 2020
 - g. [REDACTED] in [REDACTED] 2020
6. The Department was unaware of Petitioner's income, so the Department continued to issue FAP benefits to Petitioner without considering her income.
7. The Department issued Petitioner \$353.00 per month in FAP benefits from August 1, 2019, through September 30, 2019, and \$355.00 in FAP benefits from October 1, 2019, through February 29, 2020.
8. After reviewing Petitioner's case, the Department became aware of Petitioner's income that was not being considered when issuing Petitioner's FAP benefits from August 1, 2019, through February 29, 2020.
9. The Department recalculated Petitioner's FAP benefit amount from August 1, 2019, through February 29, 2020, by budgeting Petitioner's income. The Department determined that Petitioner was eligible for \$15.00 in FAP benefits from August 1, 2019, through September 30, 2019, \$0.00 in October 2019, \$16.00 in November 2019, \$0.00 from December 1, 2019, through January 31, 2020, and \$76.00 in February 2020.
10. The Department determined that Petitioner was overissued \$2,359.00 in FAP benefits from August 1, 2019, through February 29, 2020, due to client error.

11. On January 23, 2020, the Department became aware of Petitioner's earnings from her employment at [REDACTED] via a wage match report.
12. The Department failed to consider Petitioner's earnings when issuing Petitioner's August 1, 2019, through February 29, 2020, FAP benefits.
13. The Department issued Petitioner \$2,359.00 in FAP benefits from August 1, 2019, through February 29, 2020.
14. On February 15, 2024, the Department notified Petitioner of the overissuance.
15. On February 28, 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 Petitioner 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 August 1, 2019, through February 29, 2020, Petitioner was issued \$2,359.00 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 eligible for \$15.00 in FAP benefits from August 1, 2019, through September 30, 2019, \$0.00 in October 2019, \$16.00 in November 2019, \$0.00 from December 1, 2019, through January 31, 2020, and \$76.00 in February 2020. Thus, Petitioner was overissued \$2,359.00 in FAP benefits from August 1, 2019, through February 29, 2020.

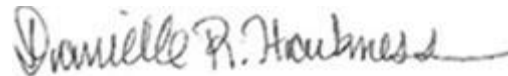
The Department presented sufficient evidence to establish that the total amount overissued was \$2,359.00 from August 1, 2019, through February 29, 2020. At the hearing, Petitioner stated she thought she timely reported her income but did not remember. However, Petitioner did not present any evidence to rebut the Department's evidence. Therefore, I must find that the Department properly determined that Petitioner owes the Department a debt of \$2,359.00 for FAP benefits issued to her from August 1, 2019, through February 29, 2020.

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 \$2,359.00 for FAP benefits that were overissued to her from August 1, 2019, through February 29, 2020.

Accordingly, the Department's decision is AFFIRMED.

DH/pt



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

Renee Olian
Kalamazoo County DHHS
427 E Alcott St
Kalamazoo, MI 49001

MDHHS-Kalamazoo-Hearings@michigan.gov

DHHS Department Rep.

Overpayment Establishment Section (OES)
235 S Grand Ave Ste 811
Lansing, MI 48909

MDHHS-RECOUPMENT-HEARINGS@Michigan.gov

Interested Parties

Kalamazoo County DHHS
MDHHS Recoupment
N. Stebbins
MOAHR

Via-First Class Mail:

Petitioner

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