



GRETCHEN WHITMER  
GOVERNOR

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

ORLENE HAWKS  
DIRECTOR

[REDACTED] MI [REDACTED]

Date Mailed: October 7, 2022  
MOAHR Docket No.: 22-003869  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Carmen G. Fahie**

### **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; 42 CFR 438.400 to 438.424; 45 CFR 99.1 to 99.33; and 45 CFR 205.10; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on October 4, 2022, from Lansing, Michigan. The Petitioner represented herself. The Department of Health and Human Services (Department) was represented by Jason Morris, Recoupment Specialist. Department Exhibit 1, pgs. 1-98 were introduced and made a part of the record.

### **ISSUE**

Did the Department properly determine that the Petitioner received an overissuance of Food Assistance Program (FAP) benefits that the Department is entitled to recoup?

### **FINDINGS OF FACT**

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. The Petitioner was a recipient of FAP benefits for a FAP group of three based on her household.
2. On February 24, 2022, the Department Caseworker received a DHS 4701, and it was discovered that the Petitioner failed to report increased earned income from employment.
3. The Department determined that the Petitioner received a FAP overissuance in the amount of \$1,770 during the time period of July 1, 2021, through September 30, 2021.

4. The overissuance was due to Client error because the Petitioner failed to report her increased earned income from employment at [REDACTED] to the Department within 10 days as required by Department policy.
5. On August 16, 2022, the Department sent the Petitioner a notice of the overissuance and a repayment agreement. Department Exhibit 1, pgs. 28-32.
6. On August 31, 2022, the Department received a hearing request from the Petitioner, contesting the Department's negative action.

### **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) [formerly known as the Food Stamp program] 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 (formerly known as the Department of Human Services) 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 Petitioner was a recipient of FAP benefits for a FAP group of three based on her household. On February 24, 2022, the Department Caseworker received a DHS 4701, and it was discovered that the Petitioner failed to report increased earned income from employment. The Department determined that the Petitioner received a FAP overissuance in the amount of \$1,770 during the time period of July 1, 2021, through September 30, 2021.

The overissuance was due to Client error because the Petitioner failed to report her increased earned income from employment at [REDACTED] to the Department within 10 days as required by Department policy. On August 16, 2022, the Department sent the Petitioner a notice of the overissuance and a repayment agreement. Department Exhibit 1, pgs. 28-32. On August 31, 2022, the Department received a hearing request from the Petitioner, contesting the Department's negative action. BAM 105, 220, 700, 715, and 725. BEM 500, 501, 550, 554, and 556.

During the hearing, the Recoupment Specialist stated that the Petitioner did not report that she had increased her employment hours resulting in an increase in earned income that she needed to report to the Department within 10 days as required by Department policy. The Petitioner did spend the overissued FAP benefits. As a result, the Petitioner received an overissuance of FAP benefits that she wasn't entitled to of \$1,770 that the Department is required to recoup due to Client error for the contested time period of July 1, 2021, through September 30, 2021.

**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 Department policy when it determined that the Petitioner received an overissuance of FAP benefits due to Client error, in the amount of \$1,770 for the contested time period of July 1, 2021, through September 30, 2021 that the Department is required to recoup.

Accordingly, the Department's decision is **AFFIRMED**.

CF/cc



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**Carmen G. Fahie**  
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 :**

**Interested Parties**

BSC3HearingsDecision  
MDHHS-Calhoun-Hearings  
MDHHS-Recoupment-Hearings  
M. Holden  
Sweeney  
MOAHR

**Via-First Class Mail :**

**Petitioner**

[REDACTED] MI [REDACTED]