



GRETCHEN WHITMER
GOVERNOR

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

MARLON BROWN
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: August 19, 2024
MOAHR Docket No.: 24-008058
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

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 August 14, 2024, from Lansing, Michigan. The Petitioner was represented by himself. The Department of Health and Human Services (Department) was represented by Overissuance Establishment Analyst Julie Barr. Department Exhibit 1, pp. 1-74 was received and admitted.

ISSUE

Did the Department properly determine that Petitioner received an overissuance of Food Assistance Program (FAP) benefits due to 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. Petitioner was a recipient of FAP benefits.
2. Household member [REDACTED] [REDACTED] had employment income from [REDACTED] [REDACTED] that was not reported and not budgeted. (Ex. 1, p. 30)
3. On April [REDACTED] 2024, Notice of Overissuance was sent to Petitioner alleging that he received an overissuance of FAP benefits in the amount of \$[REDACTED] from June 1, 2021, through July 31, 2021, because employment income from [REDACTED] [REDACTED] for household member [REDACTED] [REDACTED] was not budgeted.
4. On June 28, 2024, Petitioner requested hearing disputing the determination of 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 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.

All Programs

When a client, household, or provider receives more benefits in excess of what the recipient(s) was/were eligible to receive, the Michigan Department of Health and Human Services (MDHHS) must attempt to recover the overpayment (OP). BAM 700

Client Error

A type of overpayment or underissuance resulting from inaccurate reporting on the part of the household. The establishment of a client error overpayment claim does not rule out the possibility of a future finding of IPV BAM 700

OVERPAYMENT AMOUNT

FIP, SDA, RCA, CDC and FAP

The amount of benefits issued to the client, household, or provider in excess of what the recipient(s) was/were eligible to receive. BAM 715

Food Assistance Program (FAP) Only

The overpayment claims calculation cannot include the 15 percent benefit increase issued during the months of January 2021 through June 2021 per the Consolidated Appropriations Act of 2021. The overpayment claims calculation cannot include the 15 percent benefit increase issued during the months of July 2021 through September 2021 per the American Rescue Plan Act of 2021. BAM 715

In this case, household member [REDACTED] [REDACTED] had employment income from [REDACTED] [REDACTED] that was not reported but not budgeted. (Ex. 1, pp. 66-77) The Department representative acknowledged at hearing that the overpayment claim calculation should not have included the 15 percent increase during this time period and that the correct amount of the overissuance was \$[REDACTED]. As a result, Petitioner received \$[REDACTED] in FAP benefit from the time period from June 1, 2021, through July 31, 2021, due to client error.

At hearing, Petitioner questioned why he should be responsible for the overissuance when he reported the new income at redetermination. Petitioner had a duty to report

changes in household income prior to the redetermination and he failed to do so and that resulted in an overissuance.

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 FAP benefits in the amount of \$[REDACTED] during the time period from June 1, 2021, and July 31, 2021, due to client error.

DECISION AND ORDER

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

AM/dm



Aaron McClintic
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
Pam Bruce
Marquette County DHHS
MDHHS-
906CentralHearings@michigan.gov

DHHS Department Rep.
Overpayment Establishment Section
(OES)
MDHHS-RECOUPMENT-
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Via-First Class Mail :

Petitioner

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