



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

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Date Mailed: September 25, 2024
MOAHR Docket No.: 24-009658
Agency No.: ██████████
Petitioner: ██████████

ADMINISTRATIVE LAW JUDGE: Danielle R. Harkness

HEARING DECISION

On July 5, 2024, Petitioner, ██████████ requested a hearing to dispute a State Disability Assistance (SDA) benefit overpayment. 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 September 24, 2024. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Julie Barr, Overpayment Establishment Analyst.

A 53-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 \$604.00 for SDA benefits that were overpaid to Petitioner from March 1, 2024, through June 30, 2024, due to an agency 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 ██████████ 2023, Petitioner submitted a redetermination.
2. On June 20, 2023, the Department mailed a notice of case action to Petitioner to notify Petitioner that Petitioner was approved for an SDA benefit of \$██████████ per month beginning July 1, 2023.
3. On January 26, 2024, the Department became aware of Petitioner's earnings from Petitioner's ██████████ employment via consolidated inquiry.

4. Petitioner received the following gross earnings from Petitioner's [REDACTED] employment:
 - a. \$ [REDACTED] in [REDACTED] 2024,
 - b. \$ [REDACTED] in [REDACTED] 2024,
 - c. \$ [REDACTED] in [REDACTED] 2024, and
 - d. \$ [REDACTED] in [REDACTED] 2024.
5. The Department failed to consider Petitioner's [REDACTED] earnings when issuing Petitioner SDA benefits from March 1, 2024, through June 30, 2024.
6. The Department issued Petitioner \$ [REDACTED] in SDA benefits from March 1, 2024, through June 30, 2024.
7. Based on Petitioner's group's income, Petitioner's group was only eligible for \$49.00 in SDA benefits per month from March 1, 2024, through June 30, 2024.
8. On June 24, 2024, the Department notified Petitioner of the overpayment.
9. On July 5, 2024, Petitioner requested a hearing to dispute the overpayment.

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 SDA program is established by the Social Welfare Act, MCL 400.1-.119b. The Department of Health and Human Services administers the SDA program pursuant to 42 CFR 435, MCL 400.10 and Mich Admin Code, R 400.3151-.3180.

In this case, the Department determined that it overpaid SDA benefits to Petitioner because it did not properly budget Petitioner's [REDACTED] 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. When an overpayment of more than \$250.00 occurs, the Department must pursue recoupment, regardless of whether fault lies with the Agency or by client error. *Id.* at p. 5. 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 overpaid SDA benefits to Petitioner.

From [REDACTED] 2024, through [REDACTED] 2024, Petitioner was issued \$ [REDACTED] in SDA benefits. The Department issued these SDA benefits to Petitioner without properly

budgeting Petitioner's [REDACTED] income. This caused the Department to issue Petitioner more SDA benefits than Petitioner was eligible to receive. The overpayment was due to an agency error because the Department became aware of Petitioner's [REDACTED] income on January 26, 2024, but did not consider Petitioner's [REDACTED] income before issuing Petitioner SDA benefits from [REDACTED] 2024, through [REDACTED], 2024. Based on Petitioner's income, Petitioner's group was only eligible for \$196.00 in SDA benefits from March 1, 2024, through June 30, 2024. Thus, Petitioner was overpaid \$604.00 in FAP benefits from March 1, 2024, through June 30, 2024.

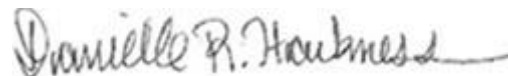
The Department presented sufficient evidence to establish that the total amount overpaid was \$604.00, from March 1, 2024, through June 30, 2024, and Petitioner did not present any evidence to rebut the Department's evidence. Therefore, I must find that the Department properly determined that Petitioner owes the Department a debt of \$604.00 for SDA benefits issued to Petitioner from March 1, 2024, through June 30, 2024.

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 \$604.00 for SDA benefits that were overissued to Petitioner from March 1, 2024, through June 30, 2024.

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

Elisa Daly
Saginaw County DHHS
411 East Genesee
Saginaw, MI 48607
MDHHS-Saginaw-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

BSC2
L. Karadsheh
MOAHR

Via-First Class Mail:

Petitioner

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