



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: October 17, 2024
MOAHR Docket No.: 24-010080
Agency No.: ██████████
Petitioner: ██████████

ADMINISTRATIVE LAW JUDGE: Danielle R. Harkness

HEARING DECISION

On September 10, 2024, Petitioner, ██████████, requested a hearing to dispute a Food Assistance Program (FAP) 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 October 16, 2024. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Lisa Carlson, Overpayment Establishment Analyst.

A 50-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 \$388.00 for FAP benefits that were overpaid to Petitioner from June 1, 2020, through July 31, 2020?

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 ██████████ 2019, Petitioner submitted a redetermination.
2. On November 5, 2019, the Department mailed a notice of case action to Petitioner to notify Petitioner that Petitioner was approved for a FAP benefit of \$163.00 per month from December 1, 2019, through November 30, 2020. The notice instructed Petitioner to report to the Department when Petitioner's household income exceeds the simplified reporting income limit of \$1,354.00.

3. From June 1, 2020, through July 31, 2020, Petitioner received a monthly COVID-19 supplement of \$31.00 resulting in Petitioner receiving a total monthly FAP benefit of \$194.00 per month (\$31.00 + \$163.00).
4. On [REDACTED] 2020, Petitioner submitted a redetermination wherein Petitioner reported Petitioner's income from [REDACTED] and the unemployment compensation benefits (UCB) that Petitioner was receiving during the time relevant to this matter.
5. Upon review of the [REDACTED] 2020, redetermination, the Department became aware of Petitioner's unreported income that was not being considered when issuing Petitioner's FAP benefits from June 1, 2020, through July 31, 2020.
6. Petitioner received gross wages from Petitioner's employment at [REDACTED] of \$[REDACTED] in [REDACTED] 2020 and \$[REDACTED] in [REDACTED] 2020.
7. Petitioner received UCB of \$[REDACTED] in [REDACTED] 2020 and \$[REDACTED] in [REDACTED] 2020.
8. Petitioner did not timely report when Petitioner's income exceeded the simplified reporting income limit of \$1,354.00.
9. The Department was unaware of the total amount of Petitioner's income, so the Department continued to issue FAP benefits to Petitioner without properly budgeting Petitioner's total income.
10. The Department recalculated Petitioner's FAP benefit amount from June 1, 2020, through July 31, 2020, by budgeting Petitioner's income. The Department determined that Petitioner was eligible for FAP benefits of \$0.00 from June 1, 2020, through July 31, 2020.
11. The Department determined that Petitioner was overpaid \$388.00 in FAP benefits from June 1, 2020, through July 31, 2020.
12. On July 17, 2024, the Department notified Petitioner of the overpayment.
13. On September 10, 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 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 overpaid FAP benefits to Petitioner because it did not properly budget Petitioner'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 overpaid FAP benefits to Petitioner.

From June 1, 2020, through July 31, 2020, Petitioner was issued \$388.00 in FAP benefits. These benefits were issued to Petitioner without properly budgeting Petitioner's income. This caused the Department to issue Petitioner more FAP benefits than Petitioner was eligible to receive. The overpayment was due to Petitioner's error because Petitioner did not report when Petitioner's income exceeded the simplified reporting limit of \$1,354.00. Based on Petitioner's income, Petitioner was eligible for FAP benefits of \$0.00 from June 1, 2020, through July 31, 2020. Thus, Petitioner was overpaid \$388.00 in FAP benefits from June 1, 2020, through July 31, 2020.

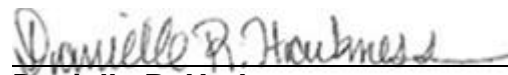
The Department properly instructed Petitioner of the simplified reporting requirements and no evidence was presented to show that the Department's actions were improper.

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 \$388.00 for FAP benefits that were overpaid to Petitioner from June 1, 2020, through July 31, 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:

Agency Representative

Lisa Carlson
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DHHS

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Interested Parties

BSC1
M Holden
B Cabanaw
N Denson-Sogbaka
MOAHR

Via-First Class Mail:

Petitioner

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