



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 10, 2024  
MOAHR Docket No.: 24-010188  
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 9, 2024. Petitioner appeared and represented himself. The Department of Health and Human Services (Department) was represented by Mary Peterson, Overpayment Establishment Analyst.

A 105-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 \$4,960.00 for FAP benefits that were overpaid to Petitioner from January 1, 2023, through January 31, 2023, and June 1, 2023, through October 31, 2023, 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 ██████████ 2022, Petitioner applied for FAP benefits.
2. On December 20, 2022, the Department mailed a Notice of Case Action to Petitioner to notify Petitioner that Petitioner was approved for a FAP benefit of \$██████████ from December 9, 2022, through December 31, 2022, and \$██████████ per month from January 1, 2023, through November 30, 2023.

3. From January 1, 2023, through January 31, 2023, Petitioner received a monthly COVID-19 supplement of \$ [REDACTED] resulting in Petitioner receiving a total monthly FAP benefit of \$ [REDACTED] (\$ [REDACTED] + \$ [REDACTED]).
4. On October 20, 2023, Petitioner reported the Department's error in calculating Petitioner's income to the Department.
5. In January 2023, Petitioner received \$ [REDACTED] in gross earnings from [REDACTED] and \$ [REDACTED] from [REDACTED].
6. From June 2023 through October 2023, Petitioner received the following gross earnings from Petitioner's employment at [REDACTED]:
  - a. \$ [REDACTED] in [REDACTED] 2023,
  - b. \$ [REDACTED] in [REDACTED] 2023,
  - c. \$ [REDACTED] in [REDACTED] 2023,
  - d. \$ [REDACTED] in [REDACTED] 2023, and
  - e. \$ [REDACTED] in October 2023.
7. The Department failed to properly consider Petitioner's earnings when issuing Petitioner FAP benefits from January 1, 2023, through January 31, 2023, and June 1, 2023, through October 31, 2023.
8. The Department issued Petitioner \$4,960.00 in FAP benefits from January 1, 2023, through January 31, 2023, and June 1, 2023, through October 31, 2023.
9. On September 5, 2024, the Department notified Petitioner of the overpayment.
10. 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 the Department failed to properly calculate Petitioner's income from [REDACTED]. The department representative testified that the Department improperly entered Petitioner's income from [REDACTED] as income received from [REDACTED] and did not calculate any income from [REDACTED]. Further, the Department only calculated a portion of Petitioner's income from [REDACTED] when calculating 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. 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 FAP benefits to Petitioner.

From January 1, 2023, through January 31, 2023, and June 1, 2023, through October 31, 2023, Petitioner was issued \$4,960.00 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 Petitioner was eligible to receive. The overpayment was due to an agency error because the agency failed to correctly budget Petitioner's earnings from Fleet Quest Logistic LLC and Route 31 Credit Union/Muskegon Coop Federal Credit Union. Based on Petitioner's income, Petitioner was not eligible for any FAP benefits from January 1, 2023, through January 31, 2023, and June 1, 2023, through October 31, 2023. Thus, Petitioner was overpaid \$4,960.00 in FAP benefits from January 1, 2023, through January 31, 2023, and June 1, 2023, through October 31, 2023.

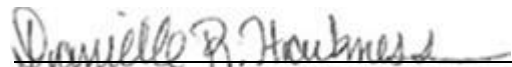
The Department presented sufficient evidence to establish that the total amount overpaid was \$4,960.00, from January 1, 2023, through January 31, 2023, and June 1, 2023, through October 31, 2023, and Petitioner did not present any evidence to rebut the Department's evidence. Therefore, I must find that the Department properly determined that Petitioner owes the Department a debt of \$4,960.00 for FAP benefits issued to Petitioner from January 1, 2023, through January 31, 2023, and June 1, 2023, through October 31, 2023.

**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 \$4,960.00 for FAP benefits that were overpaid to Petitioner from January 1, 2023, through January 31, 2023, and June 1, 2023, through October 31, 2023.

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**

Jennipher Wheeler  
Muskegon County DHHS  
2700 Baker Street  
Muskegon Heights, MI 49444  
**MDHHS-Muskegon-Hearing@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**

Muskegon County DHHS  
MDHHS Recoupment  
MOAHR

**Via-First Class Mail:**

**Petitioner**

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