



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 22, 2024  
MOAHR Docket No.: 24-010948  
Agency No.: ██████████  
Petitioner: ██████████

**ADMINISTRATIVE LAW JUDGE: Danielle R. Harkness**

**HEARING DECISION**

On September 3, 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 22, 2024. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Krysenda Slayton, Overpayment Establishment Analyst.

A 75-page packet of documents provided by the Department was admitted collectively as the Department's Exhibit A.

A 24-page packet of documents provided by Petitioner was admitted collectively as Petitioner's Exhibit 1. A 1-page document provided by Petitioner was admitted as Petitioner's Exhibit 2.

**ISSUE**

Did the Department properly determine that Petitioner owes the Department a debt of \$1,926.00 for FAP benefits that were overpaid to Petitioner from July 1, 2019, through September 30, 2019, 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 ██████████ 2019, Petitioner applied for FAP benefits.
2. On ██████████ 2019, the Department mailed a notice of case action to Petitioner to notify Petitioner that Petitioner was approved for a FAP benefit of \$0.00 from March 18, 2019, through March 31, 2019; and \$642.00 per month from April 1, 2019, through March 31, 2020. The notice instructed Petitioner to report to the

Department when Petitioner's household income exceeds the simplified reporting income limit of \$2,720.00.

3. On [REDACTED] 2019, Petitioner submitted a change report and 1 paystub to the Department.
4. On [REDACTED] 2020, a new hire notice was generated and verifications for Petitioner's group member's employment at [REDACTED] were due on June 22, 2020.
5. On [REDACTED] 2020, Petitioner timely submitted the requested verifications.
6. The Department failed to timely process the new hire verifications.
7. Petitioner's group member received the following in gross income from Petitioner's group member's employment at [REDACTED]
  - a. \$ [REDACTED] in [REDACTED] 2019,
  - b. [REDACTED] in [REDACTED], and
  - c. [REDACTED] in [REDACTED] 2019.
8. The Department failed to consider Petitioner's group member's earned income when issuing Petitioner FAP benefits from July 1, 2019, through September 30, 2019.
9. The Department issued Petitioner \$1,926.00 in FAP benefits from July 1, 2019, through September 30, 2019.
10. On August 26, 2024, the Department notified Petitioner of the overpayment.
11. On September 3, 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 consider Petitioner's group'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 July 1, 2019, through September 30, 2019, Petitioner was overpaid \$1,926.00 in FAP benefits. The Department issued these FAP benefits to Petitioner without properly budgeting Petitioner's group'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 timely process new hire information that was received on May 3, 2019. Therefore, the Department did not consider Petitioner's group's income before issuing FAP benefits to Petitioner from July 1, 2019, through September 30, 2019.

Based on Petitioner's income, Petitioner was eligible for \$0.00 in FAP benefits from July 1, 2019, through September 30, 2019.

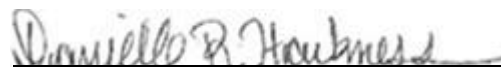
The Department presented sufficient evidence to establish that the total amount overpaid was \$1,926.00, from July 1, 2019, through September 30, 2019, and Petitioner did not present any evidence to rebut the Department's evidence. Therefore, I must find that the Department properly determined that Petitioner owes the Department a debt of \$1,926.00 for FAP benefits issued to Petitioner from July 1, 2019, through September 30, 2019.

### **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 \$1,926.00 for FAP benefits that were overpaid to Petitioner July 1, 2019, through September 30, 2019.

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**

Krysenda Slayton  
Overpayment Establishment Section (OES)  
235 S Grand Ave Ste 811  
Lansing, MI 48933  
**MDHHS-Recoupment-Hearings@michigan.gov**

**DHHS**

Janice Collins  
Genesee County DHHS Union St District Office  
125 E. Union St 7th Floor  
Flint, MI 48502  
**MDHHS-Genesee-UnionSt-Hearings@michigan.gov**

**Interested Parties**

BSC2  
M Holden  
B Cabanaw  
N Denson-Sogbaka  
MOAHR

**Via-First Class Mail:**

**Petitioner**

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