



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: December 2, 2024
MOAHR Docket No.: 24-011743
Agency No.: ██████████
Petitioner: ██████████

ADMINISTRATIVE LAW JUDGE: Danielle R. Harkness

HEARING DECISION

On October 17, 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 November 27, 2024. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Mary Peterson, Overpayment Establishment Analyst.

A 115-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 \$4,219.00 for FAP benefits that were overpaid to Petitioner from May 1, 2021, through September 30, 2021, and November 1, 2021, through December 31, 2021?

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 ██████████ 2021, Petitioner applied for FAP benefits and reported that Petitioner’s household income includes \$██████████ per week from Petitioner’s employment at ██████████ wherein Petitioner works an average of ██████ hours per week and is paid on a bi-weekly basis, and \$██████████ per month in SSI that Petitioner’s son receives. No other household income was reported.
2. On February 22, 2021, the Department mailed a notice of case action to Petitioner to notify Petitioner that Petitioner was approved for a FAP benefit of \$23.00 from January 22, 2021, through January 31, 2021, and \$73.00 per month

from February 1, 2021, through December 31, 2021. The notice instructed Petitioner to report to the Department when Petitioner's household income exceeds the simplified reporting income limit of \$2,353.00.

3. On May 24, 2021, Petitioner submitted a renew benefits form and reported that her employment was ending on May 28, 2021.
4. On June 2, 2021, the Department mailed a notice of case action to Petitioner to notify Petitioner that Petitioner was approved for a FAP benefit of \$ [REDACTED] per month from July 1, 2021, through December 31, 2021.
5. On August 25, 2021, Petitioner submitted a report changes form indicating that Petitioner's son's SSI ended on [REDACTED] 2021.
6. On August 26, 2021, the Department mailed a notice of case action to Petitioner to notify Petitioner that Petitioner was approved for a FAP benefit of \$286.00 per month from October 1, 2021, through December 31, 2021.
7. From May 1, 2021, through June 30, 2021, Petitioner received a monthly COVID-19 supplement of \$533.00 resulting in Petitioner receiving a total monthly FAP benefit of \$606.00 per month (\$533.00 + \$73.00).
8. From July 1, 2021, through September 30, 2021, Petitioner received a monthly COVID-19 supplement of \$535.00 resulting in Petitioner receiving a total monthly FAP benefit of \$630.00 per month (\$535.00 + \$95.00).
9. From November 1, 2021, through November 30, 2021, Petitioner received a monthly COVID-19 supplement of \$372.00 resulting in Petitioner receiving a total monthly FAP benefit of \$658.00 (\$372.00 + \$286.00).
10. From December 1, 2021, through December 31, 2021, Petitioner received a monthly COVID-19 supplement of \$439.00 resulting in Petitioner receiving a total monthly FAP benefit of \$459.00 (\$439.00 + \$20.00).
11. On November 23, 2021, Petitioner submitted a redetermination and reported that the only household income was Petitioner's income from [REDACTED] wherein Petitioner was working an average of [REDACTED] hours per week and receiving \$ [REDACTED] bi-weekly.
12. On December 2, 2021, a redetermination interview was held and Petitioner reported additional household income of \$ [REDACTED] that was received in unemployment compensation benefits (UCB) by Petitioner's husband. Petitioner also reported that he received pandemic UCB as well.
13. On August 9, 2024, and October 7, 2024, an earnings request was received from [REDACTED] reporting that Petitioner earned the following in gross income from [REDACTED], 2021, through [REDACTED], 2021:

- a. \$ [REDACTED] on [REDACTED] 2021,
 - b. \$ [REDACTED] on [REDACTED], 2021,
 - c. \$ [REDACTED] on [REDACTED], 2021,
 - d. \$ [REDACTED] on [REDACTED], 2021,
 - e. \$ [REDACTED] on [REDACTED], 2021,
 - f. \$ [REDACTED] on [REDACTED], 2021,
 - g. \$ [REDACTED] on [REDACTED], 2021, and
 - h. \$ [REDACTED].10 on [REDACTED], 2021.
14. From [REDACTED] 2021, through [REDACTED] 2021, Petitioner's husband received the following in [REDACTED]
- a. \$ [REDACTED] in [REDACTED] 2021,
 - b. \$ [REDACTED] in [REDACTED] 2021,
 - c. \$ [REDACTED] in [REDACTED] 2021,
 - d. \$ [REDACTED] in [REDACTED] 2021, and
 - e. \$ [REDACTED] in [REDACTED] 2021.
15. From [REDACTED] 2021, through [REDACTED], 2021, Petitioner's son earned the following in gross income from his employment at [REDACTED]
- a. \$ [REDACTED] in [REDACTED] 2021,
 - b. \$ [REDACTED] in [REDACTED] 2021,
 - c. \$ [REDACTED] in [REDACTED] 2021, and
 - d. \$ [REDACTED] in [REDACTED] 2021.
16. Petitioner did not timely report when Petitioner's income exceeded the simplified reporting income limit of \$2,353.00.
17. The Department was unaware of the total amount of Petitioner's household's income, so the Department continued to issue FAP benefits to Petitioner without properly budgeting Petitioner's household's total income.

18. On October 7, 2024, the Department became aware that Petitioner failed to report when Petitioner's household income exceeded the simplified reporting income limit of \$2,353.00
19. The Department recalculated Petitioner's FAP benefit amount from May 1, 2021, through September 30, 2021, and November 1, 2021, through December 31, 2021, by budgeting Petitioner's household's income. The Department determined that Petitioner was eligible for FAP benefits of \$0.00 from May 1, 2021, through September 30, 2021, and November 1, 2021, through December 31, 2021.
20. The Department determined that Petitioner was overpaid \$4,219.00 in FAP benefits from May 1, 2021, through September 30, 2021, and November 1, 2021, through December 31, 2021.
21. On October 7, 2024, the Department notified Petitioner of the overpayment.
22. On October 17, 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 household'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 May 1, 2021, through September 30, 2021, and November 1, 2021, through December 31, 2021, Petitioner was issued \$4,219.00 in FAP benefits. These benefits were issued to Petitioner without properly budgeting Petitioner's household'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 household's income exceeded the simplified reporting limit of \$2,353.00. Based on Petitioner's income, Petitioner was eligible for FAP benefits of \$0.00 from May 1, 2021, through September 30, 2021, and November 1, 2021, through

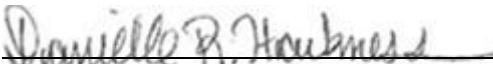
December 31, 2021. Thus, Petitioner was overpaid \$4,219.00 in FAP benefits from May 1, 2021, through September 30, 2021, and November 1, 2021, through December 31, 2021. The Department properly instructed Petitioner of the simplified reporting requirements and no evidence was presented to show that 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 \$4,219.00 for FAP benefits that were overpaid to Petitioner from May 1, 2021, through September 30, 2021, and November 1, 2021, through December 31, 2021.

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

Mary Peterson
Overpayment Establishment Section (OES)
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Lansing, MI 48933
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DHHS

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Interested Parties

BSC3
M Holden
B Cabanaw
N Denson-Sogbaka
MOAHR

Via-First Class Mail:

Petitioner

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