



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

[REDACTED]  
[REDACTED]  
[REDACTED] MI [REDACTED]

Date Mailed: December 27, 2024  
MOAHR Docket No.: 24-012983  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Linda Jordan**

### **HEARING DECISION**

Following Petitioner's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 42 CFR 438.400 to 438.424; 45 CFR 99.1 to 99.33; and 45 CFR 205.10; and Mich Admin Code, R 792.11002. After due notice, a hearing was held on December 18, 2024, via teleconference. Petitioner appeared and represented herself. Julie Barr, Overpayment Establishment Analyst, appeared on behalf of the Michigan Department of Health and Human Services (MDHHS or Department). MDHHS' Hearing Packet was admitted into evidence at the hearing as MDHHS Exhibit A, pp. 1-51.

### **ISSUE**

Did MDHHS properly determine that Petitioner received an overissuance (OI) of Food Assistance Program (FAP) benefits based on 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. Petitioner was an ongoing recipient of FAP benefits. Effective May 1, 2023 ongoing, Petitioner's household was eligible to receive \$422.00 in monthly FAP benefits (Exhibit A, p. 24).
2. In May 2023, Petitioner received \$422.00 in ongoing FAP benefits, and payments of \$422.00 and \$55.00 in supplemental FAP benefits (Exhibit A, p. 29).
3. On November 7, 2024, MDHHS sent Petitioner a Notice of Overissuance indicating that she received more FAP benefits than she was eligible to receive from May 1, 2023 to May 31, 2023 (Exhibit A, p. 45). The Notice indicated that the OI was

based on an agency error due to a computer system technical issue (Exhibit A, p. 45). The notice stated that the amount of the OI was \$422.00 (Exhibit A, p. 45).

4. On November 15, 2024, Petitioner filed a Request for Hearing (Exhibit A, pp. 6-10).

### **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 Food Assistance Program (FAP) [formerly known as the Food Stamp program] 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. MDHHS 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, MDHHS alleged that Petitioner received an OI of FAP benefits in the amount of \$422.00 due to an agency error.

When a client group receives more benefits than entitled to receive, MDHHS must attempt to recoup the OI as a recipient claim. 7 CFR 273.18(a)(2); BAM 700 (October 2018), p. 1. The amount of a FAP OI is the benefit amount the client actually received minus the amount the client was eligible to receive. 7 CFR 273.18(c)(1); BAM 715 (October 2017), p. 6. An OI can be caused by client error, agency error, or an intentional program violation (IPV). BEM 700, pp. 5-9. An agency error is caused by incorrect action by MDHHS staff or department processes. BEM 700, p. 5. Agency errors are not pursued if less than \$250.00 per program. *Id.* Conversely, a client error occurs when the OI was due to the client giving incorrect or incomplete information to MDHHS. BEM 700, p. 7.

At the hearing, MDHHS testified that a computer glitch caused Petitioner's monthly FAP benefit amount to be issued twice during the month of May 2023. MDHHS stated that the reason for the technical error was unknown. MDHHS introduced evidence to show that Petitioner's household was eligible to receive \$422.00 per month in ongoing FAP benefits during the time period in question (Exhibit A, p. 24). MDHHS also introduced evidence to show that Petitioner received the ongoing FAP benefit of \$422.00, plus an additional payment of \$422.00 in May 2023 (Exhibit A, p. 29).

Accordingly, the record shows that MDHHS issued more benefits to Petitioner than she was eligible to receive due to a technical error. MDHHS is required to pursue OIs based on agency error when the OI amount is \$250.00 or more. Because the OI amount in this case was greater than \$250.00, MDHHS properly pursued the OI.

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 MDHHS acted in accordance with Department policy when it determined that Petitioner received an OI based on agency error.

**DECISION AND ORDER**

Accordingly, MDHHS' decision is **AFFIRMED**.

LJ/pt

  
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**Linda Jordan**  
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**

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

**DHHS**

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Monroe County DHHS  
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Monroe, MI 48161  
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**Interested Parties**

BSC4  
M Holden  
B Cabanaw  
N Denson-Sogbaka  
MOAHR

**Via-First Class Mail:**

**Petitioner**

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