



Date Mailed: March 13, 2025

Docket No.: 25-006680

Case No.: [REDACTED]

Petitioner: [REDACTED]

This is an important legal document. Please have someone translate the document.

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এটি একটি গুরুত্বপূর্ণ আইনি ডকুমেন্ট। দয়া করে কেউ দস্তাবেজ অনুবাদ করুন।

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Ky është një dokument ligjor i rëndësishëm. Ju lutem, kini dikë ta përktheni dokumentin.

### HEARING DECISION

On February 5, 2025, Petitioner [REDACTED] requested a hearing to dispute a Food Assistance Program (FAP) overpayment determination. As a result, a hearing was scheduled to be held on March 11, 2025. Public assistance hearings are held 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; 45 CFR 205.10; and Mich Admin Code, R 792.11002.

The parties appeared for the scheduled hearing. Petitioner appeared and represented herself. Respondent Michigan Department of Health and Human Services (Department) had Overpayment Establishment Analyst Michele Welch appear as its representative.

Both parties provided sworn testimony, and one exhibit was admitted into evidence. A 53-page packet of documents provided by the Department was admitted collectively as Exhibit A.

### ISSUE

Did the Department properly determine that Petitioner owes the Department a debt of \$1,595.00 for Food Assistant Program (FAP) benefits that were overpaid to Petitioner for the months of March 2023 through June 2023?

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## **FINDINGS OF FACT**

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The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. On August 1, 2022, the Department mailed a notice of case action to Petitioner to notify Petitioner that she was approved for FAP benefits. The notice informed Petitioner that she was approved to receive a FAP benefit of \$206.00 per month for a group size of three. The notice informed Petitioner that her FAP benefit amount was based on a budgeted earned income amount of [REDACTED] per month. The notice instructed Petitioner to monitor her income each month and notify the Department if her income exceeded [REDACTED] in a month.
2. Petitioner was employed by Trinity Health. Petitioner received the following gross earnings from her employment:
  - a. [REDACTED] paid January 6, 2023.
  - b. [REDACTED] paid January 20, 2023.
  - c. [REDACTED] paid January 27, 2023.
  - d. [REDACTED] paid February 10, 2023.
  - e. [REDACTED] paid March 10, 2023.
  - f. [REDACTED] paid March 24, 2023.
  - g. [REDACTED] paid April 7, 2023.
  - h. [REDACTED] paid April 21, 2023.
  - i. [REDACTED] paid May 5, 2023.
  - j. [REDACTED] paid May 19, 2023.
  - k. [REDACTED] paid June 2, 2023.
  - l. [REDACTED] paid June 16, 2023.
  - m. [REDACTED] paid June 30, 2023.
3. Petitioner did not notify the Department when her household income exceeded [REDACTED] in a month.
4. The Department issued the following FAP benefits to Petitioner:

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- a. \$513.00 issued for March 2023.
  - b. \$513.00 issued for April 2023.
  - c. \$513.00 issued for May 2023.
  - d. \$513.00 issued for June 2023.
5. The Department subsequently reviewed Petitioner's case and determined that it overpaid FAP benefits to Petitioner because Petitioner did not notify the Department when her household income exceeded the limit in January 2023.
  6. The Department redetermined Petitioner's eligibility for FAP benefits based on the earnings she received from her employment. When the Department redetermined Petitioner's eligibility, the Department budgeted a housing cost of \$1,214.00 per month, and the Department budgeted the heating/cooling standard.
  7. The Department determined that Petitioner was only eligible to receive the following FAP benefits:
    - a. \$159.00 for March 2023.
    - b. \$0.00 for April 2023.
    - c. \$354.00 for May 2023.
    - d. \$0.00 for June 2023.
  8. On January 22, 2025, the Department mailed a notice of overissuance to Petitioner to notify her that she was overpaid \$1,595.00 in FAP benefits for the months of March 2023 through June 2023.
  9. 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 Food Assistance Program (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.

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In this case, the Department determined that it overpaid FAP benefits to Petitioner. When a client receives more benefits than the client was entitled to receive, the Department must attempt to recoup the overpayment. BAM 700 (June 1, 2024), p. 1. The overpayment amount is the amount of benefits in excess of the amount the client was eligible to receive. *Id.* at 2.

The Department determined that it overpaid FAP benefits to Petitioner because Petitioner did not notify the Department when her household income exceeded the \$2,379.00 limit in January 2023. Based on the evidence presented, Petitioner's household income was [REDACTED] in January 2023. Thus, Petitioner's household income exceeded the limit in January 2023. Petitioner did not notify the Department that her household income exceeded the limit in January 2023, so the Department continued to issue FAP benefits to Petitioner as if her household income had not changed. This resulted in the Department overpaying FAP benefits to Petitioner. The overpayment was caused by Petitioner's error because Petitioner did not notify the Department when her household income exceeded the limit.

The Department properly determined that the overpayment started with the FAP benefits that it issued to Petitioner for March 2023. If Petitioner would have notified the Department that her household income exceeded the [REDACTED] limit in January 2023, then the Department would have reduced or closed Petitioner's FAP benefits effective March 2023. Thus, Petitioner still would have been eligible to receive the FAP benefits that were issued to her for January 2023 and February 2023.

In March 2023, Petitioner's household income was [REDACTED]. Petitioner's household income consisted solely of Petitioner's earned income. The gross income limit was applicable to Petitioner, and the gross income limit was \$2,495.00 per month for a household size of three. RFT 250 (October 1, 2022). Petitioner's gross household income exceeded the limit to be eligible for FAP benefits, so Petitioner was not eligible for any FAP benefits for March 2023. The Department issued Petitioner \$513.00, so the Department overpaid Petitioner \$513.00. The Department did not properly determine the overpayment amount for March 2023 because the Department determined that it overpaid Petitioner \$410.00.

In April 2023, Petitioner's household income was [REDACTED]. Petitioner's household income consisted solely of Petitioner's earned income. The gross income limit was applicable to Petitioner, and the gross income limit was \$2,495.00 per month for a household size of three. RFT 250 (October 1, 2022). Petitioner's gross household income exceeded the limit to be eligible for FAP benefits, so Petitioner was not eligible for any FAP benefits for April 2023. The Department issued Petitioner \$513.00, so the Department overpaid Petitioner \$513.00. The Department properly determined the overpayment amount for April 2023 when it determined that it overpaid Petitioner \$513.00.

In May 2023, Petitioner's household income was [REDACTED]. Petitioner's household income consisted solely of Petitioner's earned income. The Department had budgeted

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██████████ per month for Petitioner's earned income when it determined her FAP benefit amount, so ██████████ of Petitioner's household income is properly considered reported earned income. Based on Petitioner's reported income of ██████████, Petitioner's housing cost of \$1,214.00, and Petitioner's obligation to pay heating/cooling utilities, Petitioner's net income was ██████████ for May 2023. Based on Petitioner's net income of ██████████ and Petitioner's group size of three, the maximum FAP benefit that Petitioner was eligible to receive for May 2023 was \$398.00. RFT 260 (October 1, 2022), p. 259. The Department issued Petitioner \$513.00, so the Department overpaid Petitioner \$115.00. The Department did not properly determine the overpayment amount for May 2023 because the Department determined that it overpaid Petitioner \$159.00.

In June 2023, Petitioner's household income was ██████████. Petitioner's household income consisted solely of Petitioner's earned income. The gross income limit was applicable to Petitioner, and the gross income limit was \$2,495.00 per month for a household size of three. RFT 250 (October 1, 2022). Petitioner's gross household income exceeded the limit to be eligible for FAP benefits, so Petitioner was not eligible for any FAP benefits for June 2023. The Department issued Petitioner \$513.00, so the Department overpaid Petitioner \$513.00. The Department properly determined the overpayment amount for June 2023 when it determined that it overpaid Petitioner \$513.00.

The Department properly determined that it overpaid FAP benefits to Petitioner for the months of March 2023 through June 2023. However, the Department did not properly determine the overpayment amount. The Department overpaid Petitioner \$513.00 for March 2023, \$513.00 for April 2023, \$115.00 for May 2023, and \$513.00 for June 2023. Thus, the Department overpaid Petitioner a total of \$1,654.00 for the months of March 2023 through June 2023. The Department did not properly determine the overpayment amount because the Department determined that it overpaid Petitioner \$1,595.00.

### **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 it overpaid Petitioner FAP benefits, but the Department did not act in accordance with its policies and the applicable law when it determined the overpayment amount.

**IT IS ORDERED** that the Department's decision is **AFFIRMED IN PART and REVERSED IN PART**. The Department's decision that it overpaid Petitioner FAP benefits is affirmed, but the Department's overpayment amount is reversed. The Department must pursue the overpayment amount of \$1,654.00 consistent with this decision. The Department must begin to implement this order within 10 days of the mailing date of this hearing decision.



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**JEFFREY KEMM**  
**ADMINISTRATIVE LAW JUDGE**

**APPEAL RIGHTS:** Petitioner may appeal this Hearing Decision to the circuit court. Rules for appeals to the circuit court can be found in the Michigan Court Rules (MCR), including MCR 7.101 to MCR 7.123, available at the Michigan Courts website at

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courts.michigan.gov. The Michigan Office of Administrative Hearings and Rules (MOAHR) cannot provide legal advice, but assistance may be available through the State Bar of Michigan at <https://lrs.michbar.org> or Michigan Legal Help at <https://michiganlegalhelp.org>. A copy of the circuit court appeal should be sent to MOAHR. A circuit court appeal may result in a reversal of the Hearing Decision.

Either party who disagrees with this Hearing Decision may also send a written request for a rehearing and/or reconsideration to MOAHR within 30 days of the mailing date of this Hearing Decision. The request should include Petitioner's name, the docket number from page 1 of this Hearing Decision, an explanation of the specific reasons for the request, and any documents supporting the request. The request should be sent to MOAHR

- by email to [MOAHR-BSD-Support@michigan.gov](mailto:MOAHR-BSD-Support@michigan.gov), **OR**
- by fax at (517) 763-0155, **OR**
- by mail addressed to  
Michigan Office of Administrative Hearings and Rules  
Rehearing/Reconsideration Request  
P.O. Box 30639  
Lansing Michigan 48909-8139

Documents sent via email are not secure and can be faxed or mailed to avoid any potential risks. Requests MOAHR receives more than 30 days from the mailing date of this Hearing Decision may be considered untimely and dismissed.

**Via Electronic Mail:**

**Agency Representative**

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**Interested Parties**

BSC3  
B. CABANAW  
M. HOLDEN  
MOAHR

**Via First Class Mail:**

**Petitioner**

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