



Date Mailed: April 29, 2025

Docket No.: 25-012336

Case No.: [REDACTED]

Petitioner: [REDACTED]

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هذه وثيقة قانونية مهمة. يرجى أن يكون هناك شخص ما يترجم المستند.

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

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这是一份重要的法律文件。请让别人翻译文件。

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

HEARING DECISION

On March [REDACTED] 2025, Petitioner [REDACTED] [REDACTED] requested a hearing to dispute a Food Assistance Program (FAP) benefit overpayment. As a result, a hearing was scheduled to be held on April 24, 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 himself. Respondent Michigan Department of Health and Human Services (Department) had Overpayment Establishment Analyst Alisha Young appear as its representative. Neither party had any additional witnesses.

Both parties provided sworn testimony, and two exhibits were admitted into evidence. An 84-page packet of documents provided by the Department was admitted collectively as Exhibit A, and a 5-page report of Petitioner's electronic benefit transfer (EBT) transactions provided by the Department was admitted as Exhibit B.

ISSUE

Did the Department properly determine that Petitioner owes the Department a debt of \$[REDACTED] for Food Assistance Program (FAP) benefits that were overpaid to him for the months of May 2024 through October 2024?

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 is a FAP benefit recipient.
2. On October [REDACTED] 2023, the Department mailed a notice of case action to Petitioner to notify him that he was approved for FAP benefits. The notice informed Petitioner that he was approved for a FAP benefit amount of \$[REDACTED] per month based on a group size of one, \$0.00 household income, and a standard deduction.
3. In April 2024, Petitioner began receiving a gross monthly benefit of \$[REDACTED] for Social Security RSDI. The Social Security Administration (SSA) withheld \$[REDACTED] from Petitioner's March benefit for a garnishment, and the SSA withheld \$[REDACTED] per month from each of Petitioner's subsequent benefits for a garnishment.
4. The Department did not update Petitioner's case when Petitioner began receiving Social Security RSDI benefits, and the Department continued to issue FAP benefits to Petitioner as if he had not had a change in his household income.
5. The Department issued the following FAP benefits to Petitioner:
 - a. \$[REDACTED] for May 2024.
 - b. \$[REDACTED] for June 2024.
 - c. \$[REDACTED] for July 2024.
 - d. \$[REDACTED] for August 2024.
 - e. \$[REDACTED] for September 2024.
 - f. \$[REDACTED] for October 2024.
6. The Department subsequently discovered that Petitioner had been receiving Social Security RSDI benefits that the Department had not been considering, so the Department reviewed Petitioner's case.
7. The Department obtained a report of Petitioner's child support payments, which showed that Petitioner made the following child support payments:
 - a. \$[REDACTED] for May 2024.
 - b. \$[REDACTED] for June 2024.
 - c. \$[REDACTED] for July 2024.

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- d. \$[REDACTED] for August 2024.
 - e. \$[REDACTED] for September 2024.
 - f. \$[REDACTED] for October 2024.
8. The Department redetermined Petitioner's eligibility for FAP benefits for each month from May 2024 through October 2024, and the Department determined that Petitioner was eligible to receive the following FAP benefits:
- a. \$[REDACTED] for May 2024.
 - b. \$[REDACTED] for June 2024.
 - c. \$[REDACTED] for July 2024.
 - d. \$[REDACTED] for August 2024.
 - e. \$[REDACTED] for September 2024.
 - f. \$[REDACTED] for October 2024.
9. The Department determined that it overpaid Petitioner due to the Department's error.
10. The Department determined that it overpaid Petitioner \$[REDACTED] in FAP benefits because it issued him a total of \$[REDACTED] for the months of May 2024 through October 2024 when he was only eligible to receive a total of \$[REDACTED]
11. On March 14, 2025, the Department mailed Petitioner a notice of overissuance to notify him that he was overpaid \$[REDACTED] in FAP benefits for the months of May 2024 through October 2024.
12. 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.

In this case, the Department determined that it overpaid Petitioner \$[REDACTED] in FAP benefits for the months of May 2024 through October 2024. When a client receives more benefits than he 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 the Department did not properly process the information it received about the Social Security RSDI benefits that Petitioner was receiving. The Department acknowledged that the overpayment was due to the Department's error. The Department properly determined that the first month that was affected by the Department's error was May 2024 because Petitioner began receiving Social Security RSDI benefits in April 2024, and the first month the Department would have been able to decrease Petitioner's FAP benefit amount would have been May 2024.

From May 2024 through September 2024, Petitioner's gross household income was \$[REDACTED] per month. Petitioner's household income consisted solely of Petitioner's Social Security RSDI benefits. The 200% gross income limit for categorically eligible groups applied to Petitioner. BEM 213 (May 1, 2024), p. 1. The 200% gross income limit was \$2,430.00 per month for a household size of one. RFT 250 (October 1, 2023). Gross household income is the total of all earned and unearned income that a household receives. 7 CFR 273.10(e)(1)(i)(A) and 7 CFR 273.10(e)(2)(B). Petitioner's gross household income did not exceed the applicable income limit to be eligible for FAP benefits. Petitioner was eligible for a \$198.00 standard deduction per month, and Petitioner was eligible for a \$[REDACTED] child support expense per month. These were the only deductions and expenses that Petitioner was eligible for in accordance with the applicable policies. Petitioner's net household income after the standard deduction and child support expense was \$[REDACTED] per month. Based on Petitioner's net household income of \$[REDACTED] and his group size of one, Petitioner was eligible for a maximum FAP benefit of \$[REDACTED] per month. RFT 260 (October 1, 2023), p. 21. The Department issued Petitioner \$[REDACTED] in FAP benefits per month, so the Department overpaid Petitioner \$[REDACTED] per month.

For October 2024, Petitioner's gross household income was \$[REDACTED]. Petitioner's household income consisted solely of Petitioner's Social Security RSDI benefits. The 200% gross income limit for categorically eligible groups applied to Petitioner. BEM 213 (October 1, 2024), p. 1. The 200% gross income limit was \$2,510.00 per month for a household size of one. RFT 250 (October 1, 2024). Gross household income is the total of all earned and unearned income that a household receives. 7 CFR 273.10(e)(1)(i)(A) and 7 CFR 273.10(e)(2)(B). Petitioner's gross household income did not exceed the applicable income limit to be eligible for FAP benefits. Petitioner was eligible for a \$204.00 standard deduction, and Petitioner was eligible for a \$[REDACTED] child support expense. These were the only deductions and expenses that Petitioner was eligible for in accordance with the applicable policies. Petitioner's net household income after the standard deduction and child support expense was \$[REDACTED]. Based on Petitioner's net household income of \$[REDACTED] and his group size of one, Petitioner was eligible for a

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maximum FAP benefit of \$[REDACTED] RFT 260 (October 1, 2024), p. 21. The Department issued Petitioner \$[REDACTED] in FAP benefits, so the Department overpaid Petitioner \$[REDACTED]

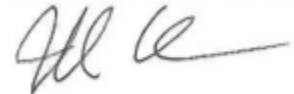
The Department properly determined that it overpaid Petitioner a total of \$[REDACTED] in FAP benefits. Although this overpayment was caused by the Department's error, the Department was still required to pursue Petitioner for the overpayment. A FAP overpayment that results from the Department's error must be pursued by the Department when the amount is greater than or equal to \$250.00. BAM 700 at 5 and BAM 705 (June 1, 2024), p. 1. The amount of the overpayment was greater than or equal to \$250.00. Thus, although Petitioner received an overpayment due to the Department's error, the Department acted in accordance with its policies when it pursued the overpayment.

Petitioner asserted that he did not receive a FAP benefit greater than [REDACTED] for the months of May 2024 through October 2024, but the evidence that the Department presented established that it was more likely than not that Petitioner received a \$[REDACTED] FAP benefit for the months of May 2024 through September 2024, and Petitioner received a \$[REDACTED] FAP benefit for October 2024. The Department provided a report of Petitioner's EBT transactions that showed that Petitioner was completing transactions in excess of what he would have been able to complete on just \$[REDACTED] per month. For example, Petitioner completed a \$[REDACTED] EBT transaction at Sam's Club on May [REDACTED] 2024, Petitioner completed an \$[REDACTED] EBT transaction at Meijer on June [REDACTED] 2024, Petitioner completed a \$[REDACTED] EBT transaction at Sam's Club on July [REDACTED] 2024, Petitioner completed a \$[REDACTED] EBT transaction at Jack's Fruit Market on August [REDACTED] 2024, Petitioner completed a \$[REDACTED] EBT transaction at Kroger on September [REDACTED] 2024, and Petitioner completed a \$[REDACTED] EBT transaction at Kroger on October [REDACTED] 2024.

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 \$ [REDACTED] for FAP benefits that were overpaid to him for the months of May 2024 through October 2024.

IT IS ORDERED that the Department's decision is **AFFIRMED**.



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 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, **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.

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Michigan Office of Administrative Hearings and Rules
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Via First Class Mail:

Petitioner

