



Date Mailed: May 2, 2025

Docket No.: 25-011859

Case No.:

Petitioner:

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

[REDACTED] MI [REDACTED]

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; 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 via telephone conference on April 22, 2025. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Walita Randle, Overpayment Establishment Analyst (OEA).

During the hearing proceeding, the Department's Hearing Summary packet was admitted as Exhibit A, pp. 1-62.

ISSUE

Did the Department properly determine that Petitioner received Food Assistance Program (FAP) benefits that she was not eligible for and must be recouped?

FINDINGS OF FACT

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

1. From April 1, 2024 to February 28, 2025, Petitioner received FAP benefits subject to recoupment totaling \$2,953.00. (Exhibit A, pp. 14-15)

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2. On [REDACTED] 2024, Petitioner applied for FAP benefits and reported an annual property tax expense. (Exhibit A, pp. 53-59)
 3. The Department received verification showing Petitioner's 2024 winter tax amount was \$ [REDACTED] and the summer tax amount was \$ [REDACTED] totaling \$ [REDACTED] for the year. (Exhibit A, p. 39)
 4. The Department erroneously budgeted \$ [REDACTED] as a monthly shelter expense. (Exhibit A, pp. 40-41)
 5. The Department corrected the error with budgeting the home taxes effective March 1, 2025. (Exhibit A, p. 42)
 6. The Department determined that Petitioner was overissued FAP benefits from April 1, 2024 to February 28, 2025, in the amount of \$2,953.00 due to agency error of budgeting Petitioner's yearly home taxes as a monthly expense rather than a yearly expense. (Exhibit A, pp. 3, 7, and 16-38)
 7. On March 13, 2025, the Department sent Petitioner a Notice of Overissuance instructing her that a \$2,953.00 overissuance of FAP benefits occurred from April 1, 2024 to February 28, 2025, due to agency error and would be recouped. (Exhibit A, pp. 7-12)
 8. On March 20, 2025, the Department received Petitioner's request for hearing protesting the recoupment of FAP benefits. (Exhibit A, pp. 4-5)

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. The Department (formerly known as the Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

When a client group receives more benefits than it is entitled to receive, the Department must attempt to recoup the overpayment. BAM 700, June 1, 2024, p. 1. An agency error is a type of overpayment or underissuance resulting from an incorrect action or failure to take action by the state agency. A client error is a type of overpayment or underissuance resulting from inaccurate reporting on the part of the household. BAM

700, p. 5. Agency and client errors are not pursued if the OP amount is equal to or less than \$250 per program. BAM 700 p. 5.

The Department determined that Petitioner was overissued FAP benefits from April 1, 2024 to February 28, 2025 in the amount of \$2,953.00 due to agency error of budgeting Petitioner's yearly home taxes as a monthly expense rather than a yearly expense. (Exhibit A, pp. 3, 7, and 16-38).

On [REDACTED] 2024, Petitioner applied for FAP benefits and reported an annual property tax expense. (Exhibit A, pp. 53-59). The Department received verification showing Petitioner's 2024 winter tax amount was \$ [REDACTED] and the summer tax amount was \$ [REDACTED] totaling \$ [REDACTED] for the year. (Exhibit A, p. 39). The Department erroneously budgeted \$ [REDACTED] as a monthly shelter expense. (Exhibit A, pp. 40-41). The Department corrected the error with budgeting the home taxes effective March 1, 2025. (Exhibit A, p. 42). The Department determined that Petitioner was overissued FAP benefits from April 1, 2024 to February 28, 2025 in the amount of \$2,953.00 due to agency error of budgeting Petitioner's yearly home taxes as a monthly expense rather than a yearly expense. (Exhibit A, pp. 3, 7, and 16-38). On March 13, 2025, the Department sent Petitioner a Notice of Overissuance instructing her that a \$2,953.00 overissuance of FAP benefits occurred from April 1, 2024 to February 28, 2025 due to agency error and would be recouped. (Exhibit A, pp. 7-12).

Petitioner understands where the Department made the mistake. Petitioner disagrees with having to repay the overpayment of FAP benefits when she had nothing to do with the mistake. Petitioner needs the help, and now receives less in FAP benefits and has to repay the overpayment of FAP benefits, leaving her with even less. (Petitioner Testimony).

The above cited BAM 700 policy requires the Department to recoup the overpayment when a client group receives more benefits than it is entitled to receive. This includes overpayments caused by client or agency errors when the amount is at least \$250 per program.

Overall, the evidence supports the Department's determination that Petitioner received an overpayment of FAP benefits from April 1, 2024 to February 28, 2025, in the amount of \$2,953.00 due to agency error of budgeting Petitioner's yearly home taxes as a monthly expense rather than a yearly expense. Therefore, the Department properly sought recoupment of the \$2,953.00 agency error overpayment of FAP benefits from Petitioner.

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 Department policy when it determined that Petitioner received FAP benefits that she was not eligible for and must be recouped.

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Accordingly, the Department's decision is **AFFIRMED**.

Colleen Lack

**COLLEEN LACK
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://irs.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

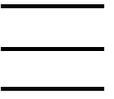
- by email to MOAHR-BSD-Support@michigan.gov, **OR**
- by fax at (517) 763-0155, **OR**
- by mail addressed to
Michigan Office of Administrative Hearings and Rules
Rehearing/Reconsideration Request
P.O. Box 30639
Lansing Michigan 48909-8139

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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