



**Date Mailed:** August [REDACTED], 2025  
**Docket No.:** 25-013140  
**Case No.:** [REDACTED]  
**Petitioner:** OFFICE OF INSPECTOR  
GENERAL (OIG)

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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.

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### **HEARING DECISION FOR INTENTIONAL PROGRAM VIOLATION**

The Michigan Department of Health and Human Services (Department) requested a hearing alleging that Respondent committed an intentional program violation (IPV). Pursuant to the Department's request and in accordance with MCL 400.9, 7 CFR 273.16, 42 CFR 431.230(b), and 45 CFR 235.110, and Mich Admin Code, R 400.3130 and R 400.3178, this matter is before the undersigned Administrative Law Judge. After due notice, a hearing was held via telephone conference on July 31, 2025. Walter Broadworth, Regulation Agent of the Office of Inspector General (OIG), represented the Department. Respondent did not appear at the hearing, and it was held in Respondent's absence pursuant to 7 CFR 273.16(e)(4); Mich Admin Code, R 400.3130(5); or Mich Admin Code, R 400.3178(5).

The Department's 38-page hearing packet was admitted into evidence as Exhibit A.

### **ISSUES**

1. Did the Department establish, by clear and convincing evidence, that Respondent committed an IPV concerning Food Assistance Program (FAP) benefits?
2. Should Respondent be disqualified from receiving FAP benefits for 12 months?
3. Did Respondent receive an Overpayment (OP) of FAP benefits that the Department is entitled to recoup and/or collect as a recipient claim?

### **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 May 17, 2023, the Department received a completed application for FAP benefits from Respondent for himself. Respondent reported that he was homeless, that his mailing address was [REDACTED], and reported that he had no household income. Respondent certified that the information he provided was truthful. (Exhibit A, pp. 8 – 14).

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2. On May 22, 2023, the Department sent Respondent a Notice of Case Action (NOCA) that approved him for FAP benefits of [REDACTED] per month, prorated from May 17, 2023, for a one-person FAP group based on [REDACTED] earned and [REDACTED] unearned income. The NOCA reminded him of his responsibility to report changes, including income and address, to the Department within 10 days, and included a blank Change Report form. (Exhibit A, pp. 15 – 23).
  3. On May 27, 2023, Respondent began using his FAP benefits in Chicago, Illinois. Respondent continued to use his FAP benefits exclusively in Illinois through April 20, 2024, with the exception of one purchase made in Michigan on August 11, 2023. (Exhibit A, pp. 24 – 28).
  4. On June 16, 2023, Respondent was hired by [REDACTED] and reported his address was [REDACTED]. He received his first paycheck on June 16, 2023. (Exhibit A, pp. 32 – 33).
  5. On July 26, 2023, Respondent was rehired by [REDACTED], a prior employer of Respondent, and reported his address was [REDACTED]. He received his first paycheck on August 5, 2023. (Exhibit A, pp. 30 – 31).
  6. Respondent was aware of his responsibility to provide truthful and accurate information and to report changes to the Department. (Exhibit A, pp. 13 – 14, 20 – 23).
  7. Respondent does not have an apparent physical or mental impairment that would limit the understanding or ability to provide truthful and accurate information and to report changes to the Department. (Exhibit A, p. 10).
  8. Respondent has no prior FAP IPV disqualifications.
  9. From August 1, 2023 to April 30, 2024, the Department issued FAP benefits to Respondent in the total amount of [REDACTED]. (Exhibit A, pp. 35 – 36).
  10. On April 8, 2025, the Department's OIG filed a hearing request alleging that Respondent intentionally misrepresented his residency in the State of Michigan and as a result received FAP benefits from August 1, 2023 to April 30, 2024 (alleged FAP fraud period) that he was ineligible to receive. The OIG requested that (i) Respondent repay [REDACTED] to the Department for FAP benefits that she was ineligible to receive, and (ii) Respondent be disqualified from receiving FAP benefits for a period of 12 months due to committing an IPV.
  11. A notice of hearing was mailed to Respondent at the last known address and was not returned by the United States Postal Services as undeliverable.

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## **CONCLUSIONS OF LAW**

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Department policies are contained in the Department Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), Adult Services Manual (ASM), and Reference Tables Manual (RFT).

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is funded under the federal Supplemental Nutrition Assistance Program (SNAP) established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 to 7 USC 2036a. It is implemented by the federal regulations contained in 7 CFR 273. MDHHS administers FAP pursuant to MCL 400.10 of the Social Welfare Act, MCL 400.1 *et seq.*, and Mich Admin Code, R 400.3001 to R 400.3031.

The Department alleges that Respondent committed an IPV when he failed to report that he resided in Illinois. The Department requested that Respondent be disqualified from receiving FAP benefits for a period of 12 months for this first IPV and to recoup an OP of FAP benefits issued to Respondent.

### **Intentional Program Violation**

An IPV occurs when a recipient of the Department benefits intentionally made a false or misleading statement, or misrepresented, concealed, or withheld facts. 7 CFR 273.16(c)(1); BAM 720 (June 2024), p. 1. Effective October 1, 2014, the Department's OIG requests IPV hearings for cases where (1) the total repayment amount sought from Respondent for all programs combined is \$500 or more or (2) the total repayment amount sought from Respondent for all programs combined is less than \$500 but the group has a previous IPV, the matter involves concurrent receipt of assistance, the IPV involves FAP trafficking, or the alleged fraud is committed by a state government employee. BAM 720, pp. 7 – 8.

To establish an IPV, the Department must present clear and convincing evidence that Respondent intentionally made a false or misleading statement, or hid, misrepresented or withheld facts on purpose to receive, or continue to receive, benefits Respondent was not eligible to receive. 7 CFR 273.16(e)(6); BAM 720, pp. 1 – 2. Clear and convincing evidence is evidence sufficient to result in “a firm belief or conviction as to the truth of the precise facts in issue.” *Smith v Anonymous Joint Enterprise*, 487 Mich 102, 114-115; 793 NW2d 533 (2010); see also M Civ JI 8.01. Evidence may be uncontroverted and yet not be clear and convincing; conversely, evidence may be clear and convincing despite the fact that it has been contradicted. *Smith* at 115. The clear and convincing standard is “the most demanding standard applied in civil cases.” *In re Martin*, 450 Mich 204, 227; 538 NW2d 399 (1995). For an IPV based on inaccurate reporting, Department policy also requires that the individual was clearly and correctly instructed regarding the reporting responsibilities and had or have no apparent physical or mental impairment that limits the ability to understanding or fulfill these reporting responsibilities. BAM 720, p. 2.

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Department clients must completely and truthfully answer all questions on forms and in interviews, and report changes of address, among other things, to the Department within 10 days. BAM 105 (July 2023), pp. 9, 11 – 12. In this case, the Department alleges that Respondent committed an IPV when he failed to report that he lived in Illinois.

The evidence established that:

- a) Respondent applied, and was approved, for FAP benefits by the Department in May 2023,
- b) Respondent was informed of his responsibility to report changes, including changes of address, to the Department within 10 days,
- c) Respondent used his FAP benefits for the first time on May 27, 2023, and continued to use them exclusively in Illinois until the Department stopped issuing them in April 2024, with the exception of one transaction in Michigan in August 2023, and
- d) Respondent was employed by two different employers, [REDACTED] and [REDACTED], between June 2023 and October 2023, and reported to both that his address was in Chicago, Illinois.

In sum, there was no evidence that Respondent lived in Michigan during the fraud period. To the contrary, the evidence established that Respondent lived in Illinois during the fraud period; and despite notice having been sent to Respondent at his current address, Respondent did not appear at the hearing to dispute the Department's evidence and testimony.

Based on the totality of the evidence and testimony, and in the absence of any evidence by Respondent to dispute the evidence and testimony of the Department, the Department has presented sufficient circumstantial evidence to clearly and convincingly establish that Respondent knowingly and intentionally failed to report that he did not live in Michigan for the purpose of obtaining, maintaining, or preventing reduction of, FAP program benefits or eligibility. Therefore, the Department has established that Respondent committed an IPV.

### **IPV Disqualification**

An individual who is found, pursuant to an IPV disqualification hearing, to have committed a FAP IPV is disqualified from receiving benefits for the same program for 12 months for the first IPV, 24 months for the second IPV, and lifetime for the third IPV. 7 CFR 273.16(b)(1); BAM 720, pp. 11 – 12.

As explained previously, the Department has established by clear and convincing evidence that Respondent committed an IPV. There was no evidence that Respondent

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had any prior IPV's. Therefore, Respondent is subject to a 12-month disqualification from receipt of FAP benefits.

### **Overpayment**

When a client group receives more benefits than entitled to receive, the Department must attempt to recoup the OP as a recipient claim. 7 CFR 273.18(a)(2); BAM 700 (June 2024), p. 1. The amount of a FAP OP is the benefit amount the client actually received minus the amount the client was eligible to receive. 7 CFR 273.18(c)(1); BAM 720, p. 8; BAM 715 (June 2024), pp. 4 – 6; BAM 705 (June 2024), p. 5.

To be eligible for FAP, a person must be a Michigan resident. BEM 220 (January 2023), p. 1. In this case, the Department alleged that Respondent receiving an OP of FAP benefits totaling [REDACTED] because he lived in Illinois throughout the fraud period. The evidence established that Respondent was issued [REDACTED] in FAP benefits during the fraud period; and, as explained previously, he did not live in Michigan during that time. Because Respondent did not live in Michigan during the fraud period, he was not eligible for FAP benefits from the Department.

Therefore, because Respondent was not eligible for any benefits issued to him by the Department during the fraud period, the Department is entitled to recoup [REDACTED] in OP FAP benefits that were issued to Respondent from August 1, 2023 to April 30, 2024.

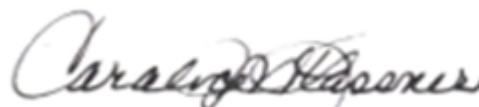
### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, concludes that:

1. The Department has established by clear and convincing evidence that Respondent committed an IPV.
2. Respondent is subject to a 12-month disqualification from FAP.
3. Respondent did receive an OP of FAP benefits in the amount of [REDACTED].

**IT IS ORDERED** that the Department initiate recoupment and/or collection procedures in accordance with Department policy for a FAP OP in the amount of [REDACTED] less any amounts already recouped/collected for the fraud period.

**IT IS FURTHER ORDERED** that Respondent is personally disqualified from FAP for a period of 12 months.



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**APPEAL RIGHTS:** Respondent 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](https://courts.michigan.gov). The Michigan Office of Administrative Hearings and Rules (MOAHR) cannot provide legal advice, but assistance may be available 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.

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**Via Electronic Mail:**

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**Via First Class Mail:**

**Respondent**

[REDACTED]