



**Date Mailed:** August 1, 2025

**Docket No.:** 25-013141

**Case No.:** [REDACTED]

**Petitioner:** OFFICE OF INSPECTOR  
GENERAL (OIG)

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দস্তাবেজ অনুবাদ করুন।

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lutem, kini dikë ta përktheni dokumentin.

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

The Michigan Department of Health and Human Services (MDHHS or the Department) requested a hearing alleging that Respondent [REDACTED] committed an intentional program violation (IPV) concerning state benefits. Pursuant to MDHHS' 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. Ryan Sevenski, Regulation Agent with the Office of Inspector General (OIG), represented MDHHS. 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).

### **ISSUES**

1. Did MDHHS establish, by clear and convincing evidence, that Respondent committed an IPV concerning Food Assistance Program (FAP) benefits?
2. Should Respondent be disqualified from receiving benefits for FAP?

### **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 July 7, 2021, the Department received Respondent's application for FAP benefits on which Respondent listed no form of income.
2. On July 16, 2021, the Department and Respondent completed an application interview during which Respondent again indicated that she had no income. During the interview, the Department explained Respondent's program rights and responsibilities to her.
3. On the same day, the Department issued a Notice of Case Action to Respondent informing her that she was approved for FAP benefits for a group size of one with no form of income and advised her to report any changes in circumstances to the Department within ten days. A change report was provided with the notice to facilitate the reporting of any future changes in circumstances.

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4. On June 4, 2022, the Department received Respondent's application for FAP benefits listing employment income from [REDACTED] for herself showing 40 hours per week and wages of [REDACTED] per week paid weekly. Respondent's signature on the application indicates that everything contained in the form was true and complete.
  5. Verification from the Equifax Work Number Report shows Respondent began her employment on February 14, 2022, received her first paycheck on February 25, 2022, and continued to receive weekly wages through August 2022.
  6. From April 2022 through June 2022, Respondent received [REDACTED] per month in FAP and COVID-19 related FAP supplements.
  7. On March 20, 2024, the Department established a debt for overpaid FAP benefits totaling [REDACTED] for April 2022 through June 2022 based on Respondent's failure to report her income.
  8. Respondent does not have an apparent physical or mental impairment that would limit the understanding or ability to accurately report her household income.
  9. Respondent has no prior FAP IPV disqualifications.
  10. On April 15, 2025, MDHHS' OIG filed a hearing request alleging that Respondent intentionally concealed her employment income and as a result received FAP benefits from April 2022 through June 2022 (fraud period) that Respondent was ineligible to receive. OIG requested that 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.

### **CONCLUSIONS OF LAW**

MDHHS policies are contained in the MDHHS 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 2036d. 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.

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### **Intentional Program Violation and Disqualification**

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MDHHS alleges that Respondent committed an IPV and should be disqualified from receipt of FAP. An IPV occurs when a recipient of MDHHS benefits intentionally made a false or misleading statement, or misrepresented, concealed, or withheld facts. 7 CFR 273.16(c)(1). MDHHS's OIG requests IPV hearings in 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 (June 2024), p. 7.

To establish an IPV, MDHHS must present clear and convincing evidence that the household member committed, and intended to commit, the IPV. 7 CFR 273.16(e)(6); BAM 720, p. 1. 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, MDHHS policy also requires that the individual have been clearly and correctly instructed regarding the reporting responsibilities and have no apparent physical or mental impairment that limits the ability to understand or fulfill these reporting responsibilities. BAM 720, p. 2.

In this case, the Department alleges that Respondent intentionally failed to report her employment resulting in benefits she was not entitled to receive for FAP for April 2022 through June 2022. Earned income received by the client is considered in the calculation of a client's FAP eligibility and benefit amount. BEM 500 (April 2022); BEM 556 (October 2021), pp. 2-3; 7 CFR 273.9(a). FAP recipients who are not simplified reporters are required to report starting or stopping employment and changes in circumstance that potentially affect eligibility or benefit amount within ten days of receiving the first payment reflecting the change. BAM 105 (April 2022), p. 12; 7 CFR 273.10(b)(1)(i).

Respondent was notified during an interview and via her Notice of Case Action dated July 16, 2021, that she was required to report any changes in household income from the previously budgeted [REDACTED] earned income. In February 2022, Respondent began employment but failed to report it to the Department until she submitted a new application on June 4, 2022. As a result, Respondent continued to receive FAP benefits for a group size of one based on no income from February 2022 through June 2022 despite earning almost [REDACTED] in March 2022. Because of Respondent's failure to report the income after it began, on March 29, 2024, the Department established a debt for overpaid FAP benefits between April 2022 and June 2022 in the amount of

Because Respondent failure to report substantial income to the Department and because she continued receiving FAP benefits based on income, the Department has presented clear and convincing evidence that Respondent committed an IPV.

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 discussed above, MDHHS has established by clear and convincing evidence that Respondent committed an IPV. Because there was no evidence of prior IPV's by Respondent, Respondent is subject to a 12-month disqualification from receipt of FAP benefits.

### **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. MDHHS has established by clear and convincing evidence that Respondent committed an IPV.
2. Respondent is subject to a 12-month disqualification from FAP.

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



**AMANDA MARLER**  
**ADMINISTRATIVE LAW JUDGE**

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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](http://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.

**Via Electronic Mail:**

**Petitioner**  
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**Via First Class Mail:**

**Respondent**  
