



Date Mailed: August [REDACTED], 2025
Docket No.: 25-013480
Case No.: [REDACTED]
Petitioner: OFFICE OF INSPECTOR
GENERAL (OIG)

[REDACTED]

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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
litem, 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 47-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 March 7, 2023, the Department received an application for FAP benefits from Respondent for himself. Respondent reported that he was homeless, resided in [REDACTED] Michigan, and that his email address was [REDACTED]. Respondent certified that the information he provided was truthful and accurate. (Exhibit A, pp. 8 – 14).

2. On March 7, 2023, the Department sent Respondent a Notice of Case Action (NOCA) that approved him for continuing FAP benefits of [REDACTED] per month for a one-person FAP group. (Exhibit A, pp. 15 – 19).
3. On August 27, 2023, Respondent submitted an application for food assistance to the North Carolina Department of Health and Human Services (NC-DHS). Respondent reported that he was a permanent resident of North Carolina, lived in [REDACTED], his phone number was [REDACTED] and his email address was [REDACTED] (Exhibit A, pp. 36 – 38).
4. On December 15, 2023, the Department received an application for FAP benefits from Respondent for himself. Respondent reported that he was homeless, resided in [REDACTED] Michigan, his phone number was [REDACTED] and he had not received food assistance from another state in the last 30 days. Respondent certified that the information he provided was truthful and accurate. (Exhibit A, pp. 20 – 26).
5. On December 27, 2023, the Department sent Respondent a NOCA that approved him for FAP benefits of [REDACTED] per month for a one-person FAP group, prorated from December 15, 2023 ongoing. (Exhibit A, pp. 27 – 31).
6. On March 17, 2024, Respondent submitted an application for food assistance to NC-DHS. Respondent reported that he was a permanent resident of North Carolina, lived in [REDACTED], and his email address was [REDACTED] (Exhibit A, pp. 40 – 41).
7. From August 1, 2023 to April 30, 2024, the Department issued initial and ongoing FAP benefits to Respondent for:
 - a. August 2023,
 - b. September 2023,
 - c. October 2023,
 - d. November 2023,
 - e. December 2023,
 - f. January 2024,
 - g. March 2024, and
 - h. April 2024,

in the total amount of [REDACTED]. (Exhibit A, pp. 34 – 35).

8. From August 29, 2023 to March 19, 2024, NC-DHS issued food assistance to Respondent for:

- a. September 2023, including a prorated amount for August 2023,
- b. October 2023,
- c. November 2023,
- d. December 2023,
- e. January 2024, and
- f. April 2024, including a prorated amount for March 2024,

in the total amount of [REDACTED] (Exhibit A, pp. 44 – 45).

9. Respondent was aware of his responsibility to provide truthful and accurate information to the Department. (Exhibit A, pp. 13 – 14; 24 – 25).

10. Respondent does not have an apparent physical or mental impairment that would limit his understanding or ability to provide truthful and accurate information to the Department. (Exhibit A, pp. 10, 22).

11. Respondent has no prior FAP IPV disqualifications.

12. On April 15, 2025, the Department's OIG filed a hearing request alleging that Respondent intentionally failed to report to the Department that he began receiving food assistance from the State of North Carolina in August 2023:

- a) While he was receiving FAP benefits from the Department, and
- b) When he applied for FAP benefits on December 27, 2023,

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 he was ineligible to receive, and
- ii. Respondent be disqualified from receiving FAP benefits for a period of 12 months due to committing an IPV.

13. 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

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 intentionally failed to report to the Department that he received food assistance from the State of North Carolina a) while he was receiving FAP benefits from the Department, and b) when he applied for FAP benefits on December 27, 2023. 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 uncontested 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 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.

Clients must report changes of address to the Department within 10 days unless the client is a SR. BAM 105 (July 2023), pp. 11 – 12; BAM 200 (July 2023), p. 1; 7 CFR 273.12(a). During the certified benefit period, SR clients are only required to report when their monthly income for the prior month exceeded their SR income limit, the group receives a single lottery or gambling winning of \$4,250 or more, or a mandatory time limited food assistance (TFLA) participant is working less than 20 hours per week. BAM 200, p. 1. However, Department clients must completely and truthfully answer all questions on forms and in interviews. BAM 105, p. 9.

In this case, the Department alleges that Respondent committed an IPV when he failed to report to the Department that he received food assistance from the State of North Carolina while he was receiving FAP benefits from the Department, and when he applied for FAP benefits on December 15, 2023.

Although the evidence established that in August 2023, Respondent reported to NC-DHS that he was a permanent resident of North Carolina and began to receive food assistance from NC-DHS, the Department testified that Respondent was a SR at that time. Therefore, Respondent did not have a responsibility to report a change of address, or his receipt of food assistance from another state, to the Department until he completed any other application or form for the Department.

However, the evidence established that:

- a) On August 29, 2023, NC-DHS began to issue food assistance benefits to Respondent, and continued to issue food assistance benefits to him in October, November, and December 2023, and in at least January 2024,
- b) On December 14, 2023, Respondent completed a FAP application through MiBridges after business hours and certified that he resided in [REDACTED], Michigan and had not received food assistance from any other state in the last 30 days, and
- c) As a result of Respondent's representations on his December 14, 2023 application, the Department issued FAP benefits to him while he was receiving food assistance benefits from NC-DHS.

The evidence also established that Respondent re-applied for food assistance from NC-DHS on March 17, 2024, reported that he was a permanent resident of North Carolina, and received assistance from NC-DHS as a result.

Based on the totality of the evidence, the Department established by clear and convincing evidence that Respondent knowingly and intentionally provided false information regarding his circumstances to the Department in December 2023 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 established by clear and convincing evidence that Respondent committed an IPV. The evidence also established that Respondent had no prior IPVs. Therefore, Respondent is subject to a 12-month disqualification from receipt of FAP benefits for this first IPV.

Overpayment

To be eligible for FAP, a person must be a Michigan resident; and individuals may not receive FAP benefits from more than one state for the same benefit month. 7 CFR 273.3(a); BEM 220 (January 2023), p. 1; BEM 222 (October 2018), pp. 1, 3.

When a client group receives more benefits than it is entitled to receive, including concurrent or duplicate benefits, the Department must attempt to recoup the OP as a recipient claim. 7 CFR 273.18(a)(2); BAM 700 (June 2024), p. 1; BAM 705 (June 2024), p. 5; BAM 720, pp. 4 – 5. 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 705, p. 5; BAM 720, p. 8.

In this case, the Department alleged that Respondent received an OP of FAP benefits from the Department totaling [REDACTED] from August 1, 2023 to January 31, 2024, and from March 1, 2024 to April 30, 2024, because he received food assistance benefits from NC-DHS during the same period.

The evidence established that:

- a) Respondent was issued FAP benefits from the Department in the amount of [REDACTED] from August 1, 2023 to January 31, 2024, and from March 1, 2024 to April 30, 2024, and
- b) Respondent was also issued food assistance benefits from NC-DHS on August 29, 2023, for a portion of August and the month of September 2023; from October 1, 2023 to January 31, 2024; and on March 19, 2024, for a portion of March and the month of April 2024.

Therefore, because Respondent received food assistance benefits from NC-DHS for the same benefits months he received FAP benefits from the Department, the Department is entitled to recoup an OP of FAP benefits issued to Respondent, in the amount of

[REDACTED], for the periods of August 1, 2023 to January 31, 2024, and from March 1, 2024 to April 30, 2024.

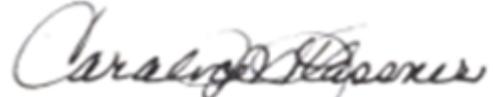
DECISION AND ORDER

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 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.



CARALYCE M. LASSNER
ADMINISTRATIVE LAW JUDGE

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. 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, 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

Via Electronic Mail:

Petitioner

OFFICE OF INSPECTOR GENERAL (OIG)
PO BOX 30062
LANSING, MI 48909-7562
MDHHS-OIG-HEARINGS@MICHIGAN.GOV

Via First Class Mail:

Respondent



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.