

Date Mailed: October 29, 2025
Docket No.: 25-022335
Case No.: [REDACTED]
Petitioner: OFFICE OF INSPECTOR
GENERAL (OIG)

HEARING DECISION FOR INTENTIONAL PROGRAM VIOLATION

Upon the request for a hearing by the Department of Health and Human Services (Department), this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9, and in accordance with Title 7 of the Code of Federal Regulation (CFR), particularly 7 CFR 273.16. After due notice, a telephone hearing was held on October 28, 2025. The Department was represented by Stephanie Picca, Regulation Agent of the Office of Inspector General (OIG). Respondent [REDACTED] appeared at the hearing on Respondent's own behalf.

A 115-page packet of documents provided by the Department was admitted collectively as the Department's Exhibit A.

ISSUES

1. Did Respondent receive an overpayment of [REDACTED] in Food Assistance Program (FAP) benefits from September 11, 2023, to September 30, 2024, that the Department is entitled to recoup and/or collect as a recipient claim?
2. Did the Department establish by clear and convincing evidence that Respondent committed an Intentional Program Violation (IPV)?
3. Should Respondent be disqualified from receiving FAP benefits for 10 years?

FINDINGS OF FACT

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

1. From September 11, 2023, to September 30, 2024 (fraud period), Respondent received [REDACTED] in FAP benefits subject to recoupment.
2. On September 10, 2023, Respondent submitted an assistance application for Respondent and Respondent's daughter and reported that they were homeless and listed a mailing address of [REDACTED]
[REDACTED]

3. Respondent's signature on the assistance application certified that Respondent read and understood the rights and responsibilities. This would include providing accurate information and timely reporting changes.
4. On September 12, 2023, Respondent completed a telephone interview with the Department and reported that Respondent and Respondent's daughter moved to MI from Arizona (AZ) 30 days ago, currently resided at [REDACTED] (a homeless shelter) and that they intended on remaining in MI. Respondent also reported that Respondent had not received any benefits from AZ. Respondent's rights and responsibilities were reviewed with Respondent.
5. On September 12, 2023, the Department mailed a notice of case action to Respondent to notify Respondent that Respondent was approved for FAP benefits of [REDACTED] from September 11, 2023, to September 30, 2023; and [REDACTED] per month from October 1, 2023, to August 31, 2024, for a household size of 2. The Department instructed Respondent to report any changes affecting Respondent's eligibility for benefits to the Department within 10 days.
6. From September 13, 2023, to September 8, 2024, all of Respondent's MI-issued FAP benefits were utilized for out of state and online purchases. No FAP benefits were utilized in MI.
7. On February 10, 2024, the Department mailed a notice of FAP closure to Respondent to notify Respondent that Respondent's FAP benefits would close effective February 29, 2024, for failing to complete a semi-annual contact form.
8. On April 9, 2024, Respondent submitted an assistance application for Respondent and Respondent's daughter and reported that they were not homeless and listed a home address of [REDACTED]
9. On April 10, 2024, Respondent completed a telephone interview with the Department and reported that Respondent intended to remain in MI and that Respondent and Respondent's daughter were currently residing at [REDACTED] (a homeless shelter) on [REDACTED] Respondent's rights and responsibilities were reviewed with Respondent.
10. On April 10, 2024, the Department mailed a notice of case action to Respondent to notify Respondent that Respondent was approved for FAP benefits of [REDACTED] from April 10, 2024, to April 30, 2024; and [REDACTED] per month from May 1, 2024, to March 31, 2025, for a household size of 2. The Department instructed Respondent to report any changes affecting Respondent's eligibility for benefits to the Department within 10 days.
11. On June 25, 2024, the Department was contacted by the State of Iowa (IA) requesting removal of Respondent's daughter from Respondent's benefit case. Additionally, a copy of a May 17, 2024, IA court order stating that IA DHHS had

removed Respondent's daughter from Respondent's care and that Respondent's daughter had been placed with a relative that was attempting to apply for IA public assistance benefits on the child's behalf. The court order stated guidelines for Respondent to follow to work toward reunification with Respondent's daughter.

12. On June 27, 2024, the Department mailed a notice of case action to Respondent notifying Respondent that Respondent was approved for FAP benefits of [REDACTED] from August 1, 2024, to March 31, 2025, for a household size of 1 as Respondent's daughter was removed from Respondent's FAP benefit case.
13. On August 2, 2025, the OIG received an out of state EBT usage data match indicating that Respondent was utilizing Respondent's FAP benefits in IA resulting in a Front-End Eligibility (FEE) investigation taking place and the following pertinent findings being made:
 - a. Respondent and Respondent's daughter are active FAP recipients.
 - b. Respondent reported residing at [REDACTED] at [REDACTED]
[REDACTED]
 - c. Respondent's MI-issued FAP benefits were utilized exclusively in IA.
 - d. There is no evidence of Respondent ever residing in MI or being associated with a MI address.
 - e. Returned mail was received by the Department on December 18, 2023; April 16, 2024; and May 6, 2024 from Respondent's reported address at [REDACTED].
 - f. On August 16, 2024, a telephone interview was held with the OIG and Respondent reported residing at [REDACTED] at [REDACTED]
[REDACTED] and would be looking for permanent housing on August 20, 2024. OIG attempted to schedule an in-person interview at that time but was unable to do so as Respondent stated that Respondent was busy.
 - g. On August 16, 2024, OIG contacted a shelter care worker at [REDACTED] who confirmed that [REDACTED] is located at [REDACTED]
[REDACTED]. Further, it was reported that [REDACTED] only shelter children from ages 10-17 years old and that a mother and child would not be residing together at the shelter.
 - h. On August 20, 2025, OIG contacted Respondent via telephone to schedule an in-person interview but was unable to do so as Respondent stated that Respondent was busy.
14. On August 3, 2024, Respondent submitted a renew benefits form and reported no change in residency. Respondent added Respondent's daughter to Respondent's household.
15. On August 20, 2024, the Department mailed a notice of case action to Respondent to notify Respondent that Respondent was approved for FAP benefits of [REDACTED] from April 1, 2024, to March 31, 2025, for a household size of 2. The Department

instructed Respondent to report any changes affecting Respondent's eligibility for benefits to the Department within 10 days.

16. On September 13, 2024, the Department mailed a notice of case action to Respondent closing Respondent's FAP benefit case beginning October 1, 2024, for failing to meet MI residency requirements.
17. On June 12, 2025, the Department received verification from the State of IA that Respondent and Respondent's daughter received IA-issued FAP benefits from September 1, 2023, to December 31, 2024.
18. Respondent did not have an apparent physical or mental impairment that would limit the ability to understand or fulfill the reporting requirements.
19. During the fraud period, the Department paid [REDACTED] in FAP benefits to Respondent.
20. During the fraud period, Respondent's FAP benefits were utilized.
21. The Department determined that Respondent was overpaid [REDACTED] in FAP benefits during the fraud period.
22. Respondent has no prior IPV disqualifications.
23. On June 13, 2025, the Department filed a hearing request alleging that Respondent intentionally misrepresented Respondent's residence, received and utilized FAP benefits from MI and IA during the fraud period that Respondent was ineligible to receive. The Department requested that (i) Respondent repay to the Department \$5,944.00 for FAP benefits that Respondent was ineligible to receive and (ii) Respondent be disqualified from FAP for 10 years for a first IPV involving the concurrent receipt of FAP benefits.

CONCLUSIONS OF LAW

The SNAP is a federal food assistance program designed to promote general welfare and to safeguard well-being by increasing food purchasing power. 7 USC 2011 and 7 CFR 271.1. The Department administers its Food Assistance Program (FAP) pursuant to MCL 400.10; the Social Welfare Act, MCL 400.1-119b; and Mich Admin Code, R 400.3001 to .3015. Department policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Intentional Program Violation

An IPV "shall consist of having intentionally: (1) Made a false or misleading statement, or misrepresented, concealed or withheld facts; or (2) committed any act that

constitutes a violation of SNAP, SNAP regulations, or any State statute for the purpose of using, presenting, transferring, acquiring, receiving, possessing or trafficking of SNAP benefits or EBT cards." 7 CFR 273.16(c). An IPV requires that the Department establish by clear and convincing evidence that the client has intentionally withheld or misrepresented information for the purpose of establishing, maintaining, increasing or preventing reduction of program benefits or eligibility. 7 CFR 273.16(e)(6). Clear and convincing evidence is evidence which is so clear, direct, weighty, and convincing that it enables a firm belief as to the truth of the allegations sought to be established. *In re Martin*, 450 Mich 204, 227; 538 NW2d 399 (1995) (citing *In re Jobes*, 108 NJ 394 (1987)).

The Department presented sufficient evidence to establish by clear and convincing evidence that Respondent misrepresented information to the Department to obtain FAP benefits concurrently from the Department and the state of IA. Respondent misrepresented information to the Department when Respondent failed to report accurate and truthful information and to report any changes as instructed. The Department instructed Respondent to report any change that could affect Respondent's eligibility for assistance to the Department within 10 days of the date of the change. Respondent's receipt of FAP benefits from IA were changes that Respondent knew or should have known could have affected Respondent's eligibility for assistance. Thus, Respondent knew or should have known that Respondent was required to report those changes to the Department and Respondent did not.

Disqualification

In general, individuals found to have committed an intentional program violation through an administrative disqualification hearing shall be ineligible to participate in FAP: (i) for a period of 12 months for the first violation, (ii) for a period of 24 months for the second violation, and (iii) permanently for a third violation. 7 CFR 273.16(b)(1). An individual found to have committed an intentional program violation with respect to an individual's identity or place of residence in order to receive benefits from more than one state concurrently shall be ineligible to participate in FAP for 10 years. 7 CFR 273.16(b)(5). Only the individual who committed the violation shall be disqualified – not the entire household. 7 CFR 273.16(b)(11).

In this case, Respondent committed an IPV with respect to Respondent's place of residence in order to receive benefits from more than 1 state concurrently because Respondent failed to report that Respondent was receiving FAP benefits from the state of IA. Since Respondent committed an IPV with respect to Respondent's place of residence in order to receive benefits from more than 1 state concurrently, Respondent is subject to a 10-year disqualification from the FAP.

Overpayment

When a client group receives more benefits than entitled to receive, the Department must attempt to recoup the overpayment as a recipient claim. 7 CFR 273.18(a)(2); BAM

700 (June 1, 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 1, 2024), p. 6.

In this case, the Department alleged that Respondent was overpaid FAP benefits totaling [REDACTED] during the fraud period that are subject to recoupment because Respondent was receiving concurrent benefits. Because Respondent was not eligible for FAP benefits from MI while receiving FAP benefits in IA during the fraud period the Department is entitled to repayment from Respondent of [REDACTED] in overpaid FAP benefits.

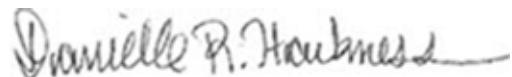
DECISION AND ORDER

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. The Department established by clear and convincing evidence that Respondent committed an IPV.
2. Respondent is personally disqualified from the FAP for 10 years.
3. Respondent received an overpayment of [REDACTED] in FAP benefits.

IT IS ORDERED that the Department initiate recoupment and/or collection procedures in accordance with Department policy for a FAP overpayment in the amount of \$5,944.00, less any amounts already recouped/collected during the fraud period.

IT IS SO ORDERED.



DANIELLE R. HARKNESS
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

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

[REDACTED]