

**Date Mailed:** October 22, 2025  
**Docket No.:** 25-027456  
**Case No.:** [REDACTED]  
**Petitioner:** OFFICE OF INSPECTOR  
GENERAL (OIG)

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

The Michigan Department of Health and Human Services (Department) requested a hearing alleging that Respondent [REDACTED] 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 October 21, 2025. Sashae White, Regulation Agent of the Office of Inspector General (OIG), represented the Department. Respondent did not appear. The hearing was held in Respondent's absence pursuant to 7 CFR 273.16(e)(4).

A 239-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 June 1, 2023, to September 30, 2023; November 1, 2023, to February 29, 2024; and from April 1, 2024, to June 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 12 months?

### **FINDINGS OF FACT**

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

1. From June 1, 2023, to September 30, 2023; November 1, 2023, to February 29, 2024; and from April 1, 2024, to June 30, 2024 (fraud period), Respondent received [REDACTED] in FAP benefits subject to recoupment.

2. On June 14, 2022, Respondent began employment at [REDACTED] and received earned income from this employment from August 5, 2022, to September 9, 2023.
3. On June 14, 2023, Respondent submitted an assistance application. Respondent reported that Respondent was employed at [REDACTED] for an average of 6 hours per week, earning [REDACTED] per hour, and being paid biweekly. No other employment or income was reported.
4. Respondent's signature on the redetermination certified that Respondent read and understood the rights and responsibilities. This would include providing accurate information and timely reporting changes.
5. On June 30, 2023, Respondent completed an interview with the Department and reported that Respondent was employed at [REDACTED] for an average of 6 hours per week, earning [REDACTED] per hour, and being paid biweekly. Respondent reported no additional household employment or income. Respondent's rights and responsibilities were reviewed with Respondent.
6. From June 2023 to September 2023, Respondent received the following in gross earnings from Respondent's employment at [REDACTED]:
  - a. [REDACTED] in June 2023
  - b. [REDACTED] in July 2023
  - c. [REDACTED] in August 2023
  - d. [REDACTED] in September 2023
7. Respondent failed to accurately report Respondent's earnings from Respondent's employment at [REDACTED] to the Department when Respondent applied for FAP benefits on June 14, 2023.
8. On July 5, 2023, the Department mailed a notice of case action to Respondent to notify Respondent that Respondent was approved for FAP benefits of [REDACTED] from June 14, 2023, to June 30, 2023, and [REDACTED] per month from July 1, 2023, to May 31, 2024. The Department instructed Respondent to report when Respondent's income exceeded the simplified reporting (SR) limit of \$1,473.00.
9. On July 16, 2023, the Department received a wage match report stating that Respondent had earned income from employment at [REDACTED] during [REDACTED] the first quarter of 2023.

10. On July 20, 2023, a wage match client notice was mailed to Respondent for the following employers: [REDACTED]

[REDACTED] Respondent was advised that information was obtained by the Department that Respondent received income from these employers and advised Respondent to return the wage verification form by August 21, 2023, and that failure to do so may result in a denial of benefits.

11. On August 22, 2023, Respondent began employment at [REDACTED] [REDACTED] and received earned income from this employment from September 20, 2023, to March 5, 2025.

12. On September 30, 2023, Respondent's FAP benefits were closed due to Respondent's failure to return the requested wage verification forms by August 21, 2023.

13. On November 2, 2023, Respondent applied for FAP benefits and reported no employment or income. Respondent stated that Respondent's employment at [REDACTED] ended in September 2023.

14. On November 6, 2023, Respondent completed an interview with the Department and reported no employment or income. Respondent's rights and responsibilities were reviewed with Respondent.

15. On November 6, 2023, the Department mailed a notice of case action to Respondent to notify Respondent that Respondent was approved for FAP benefits of [REDACTED] from November 3, 2023, to November 30, 2023, and [REDACTED] per month from December 1, 2023, to October 31, 2024. The Department instructed Respondent to report when Respondent's income exceeded the SR limit of \$1,580.00.

16. From November 2023 to February 2024, and April 2024 to June 2024, Respondent received the following in gross earnings from Respondent's employment at [REDACTED]:

- a. [REDACTED] in November 2023
- b. [REDACTED] in December 2023
- c. [REDACTED] in January 2024
- d. [REDACTED] in February 2024
- e. [REDACTED] in April 2024
- f. [REDACTED] in May 2024
- g. [REDACTED] in June 2024

17. Respondent failed to report to the Department Respondent's earnings from Respondent's employment at [REDACTED]

18. On February 28, 2024, a wage match client notice was mailed to Respondent for the following employers: [REDACTED]

[REDACTED] Respondent was advised that information was obtained by the Department that Respondent received income from these employers and advised Respondent to return the wage verification form by March 29, 2024, and that failure to do so may result in a denial of benefits.

19. On March 31, 2024, Respondent's FAP benefits were closed due to Respondent's failure to return the requested wage verification forms by March 29, 2024.

20. On April 20, 2024, Respondent applied for FAP benefits and reported no employment or income.

21. On April 23, 2024, Respondent completed an interview with the Department and reported no current employment or income. During the interview, the Department representative advised Respondent that employment income from [REDACTED] [REDACTED] was found under Respondent's social security number. Respondent stated that the income was not Respondent's and Respondent was advised to submit proof that the income was not Respondent's. Respondent's rights and responsibilities were also reviewed with Respondent.

22. On May 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 22, 2024, to April 30, 2024, and [REDACTED] per month from May 1, 2024, to March 31, 2025. The Department instructed Respondent to report when Respondent's income exceeded the SR limit of \$1,580.00.

23. Respondent received FAP benefits of [REDACTED] from June 1, 2023, to June 30, 2023; [REDACTED] per month from July 1, 2023, to September 30, 2023; [REDACTED] from November 1, 2023, to November 30, 2023; [REDACTED] per month from December 1, 2023, to February 29, 2024; [REDACTED] from April 1, 2024, to April 30, 2024; and [REDACTED] per month from May 1, 2024, to June 30, 2024.

24. During the fraud period, Respondent was only eligible for FAP benefits of [REDACTED] from June 1, 2023, to June 30, 2023; \$23.00 from July 1, 2023, to July 31, 2023; [REDACTED] from August 1, 2023, to August 31, 2023; [REDACTED] from September 1, 2023, to September 30, 2023; [REDACTED] per month from November 1, 2023, to December 31, 2023; [REDACTED] from January 1, 2024, to January 31, 2024; [REDACTED] from February 1, 2024, to February 29, 2024; and [REDACTED] per month from April 1, 2024, to June 30, 2024.

25. During the fraud period, Respondent's FAP benefits were utilized.

26. Respondent did not have an apparent physical or mental impairment that would limit the ability to understand or fulfill the reporting requirements.

27. Respondent has no prior IPV disqualifications.

28. On July 31, 2025, the Department filed a hearing request alleging that Respondent intentionally failed to report when Respondent's income exceeded the SR limit and as a result, received FAP benefits from during the fraud period, that Respondent was ineligible to receive. The Department requested that (i) Respondent repay to the Department \$2,746.00 for FAP benefits that Respondent was ineligible to receive and (ii) Respondent be disqualified from receiving FAP benefits for a period of 12 months due to committing an IPV.

29. A notice of hearing was mailed to Respondent at the last known address and was not returned by the United States Postal Service as undeliverable.

### **CONCLUSIONS OF LAW**

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

The 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.

### **IPV**

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 clear and convincing evidence to establish that Respondent purposely failed to accurately report Respondent's employment income to the Department so that Respondent could maintain Respondent's FAP benefits. Respondent was required to report when Respondent's household exceeded the SR limit. Although the Department clearly and correctly instructed Respondent to report when Respondent's household's income exceeded the SR limit, Respondent failed to report when Respondent's household's income exceeded the SR limit.

### **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, p. 16. As discussed above, the Department has established by clear and convincing evidence that Respondent committed an IPV. Respondent has no prior IPV disqualifications. Because this was Respondent's first IPV, 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 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.

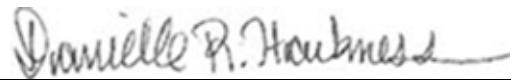
In this case, the Department alleged that Respondent was overpaid FAP benefits totaling [REDACTED] during the fraud period. During the fraud period, Respondent received [REDACTED] in FAP benefits subject to recoupment. However, when the change in Respondent's income was utilized to redetermine eligibility, Respondent was only to receive [REDACTED] in FAP benefits during the fraud period. Therefore, 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 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 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 \$2,746.00, less any amounts already recouped/collected during the fraud period.



**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](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**

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

Via First Class Mail:

**Respondent**

A large rectangular area of the page is completely blacked out, indicating a redaction of an address.