



Date Mailed: September 9, 2025
Docket No.: 25-027715
Case No.: [REDACTED]
Petitioner: [REDACTED]

[REDACTED]
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এটি একটি গুরুত্বপূর্ণ আইনি ডকুমেন্ট। দয়া করে কেউ দস্তাবেজ অনুবাদ করুন।

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Docket No.: 25-027715

Case No.: [REDACTED]

Petitioner: [REDACTED]

HEARING DECISION

Following Petitioner's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10; and Mich Admin Code, R 792.11002. After due notice, a hearing was held via telephone conference on August 26, 2025. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Walita Randle, Overpayment Establishment Analyst (OEA).

During the hearing, the Department's Hearing Summary packets were admitted as Exhibit A, pp. 1-58, and Exhibit B, pp. 1-60.

ISSUE

Did the Department properly determine that Petitioner received Food Assistance Program (FAP) benefits that she was not eligible for and must be recouped?

FINDINGS OF FACT

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

1. From December 1, 2024 to February 28, 2025, Petitioner received FAP benefits totaling \$4,980.00. (Exhibit A, p. 25)
2. On April 10, 2024, Petitioner submitted a Report Changes form stating household member [REDACTED] (ZR) moved out of the home. Petitioner reported that ZR left the household April 1, 2024. Petitioner indicated ZR moved out as he went back to over the road trucking across the country; ZR lives out of his semi; and ZR just visits the children a weekend here and there for now. (Exhibit A, pp. 22-23)
3. On July 6, 2024, Petitioner submitted a Renew Benefits form for the FAP case. Petitioner removed ZR as a household member. Petitioner indicated she had previously reported ZR out of the home. (Exhibit A, pp. 52-55)
4. On August 14, 2024, an interview was completed with Petitioner. It was noted that there was a New Hire/Wage Match for ZR, but he was already reported as being out of the household. Petitioner reported ZR had been out of the household

25-027715

since April, he was supposed to visit on weekends when home from trucking, but that had not really been happening. It was noted that the Department received a report of ZR being out of the home on April 10, 2024, that had not been processed. (Exhibit A, pp. 45-51)

5. On October 20, 2024, Petitioner submitted a Report Changes form stating household member ZR moved out of the home. Petitioner reported that ZR left the household March 25, 2024. Petitioner indicated she had previously requested that he be removed from the case, but ZR remains on the case. Petitioner acknowledges that they are a couple, but stated he does not live in the home. Petitioner explained that ZR has no home, he is a truck driver and lives out of his truck. Petitioner acknowledged that ZR uses her address for mail and noted that they have started a support case already. (Exhibit A, pp. 20-21)
6. On November 19, 2024, Petitioner submitted a Report Changes form stating household member ZR moved out of the home. Petitioner reported that ZR left the household March 25, 2024. Petitioner indicated she had previously requested that he be removed from the case, but he keeps getting added back to the case. Petitioner also noted she already filed the support case and she was waiting on them to finalize that. (Exhibit A, pp. 18-19)
7. On February 1, 2025, Petitioner submitted a Renew Benefits form for FAP benefits for her household. The reported household members included ZR. Petitioner reported the household only had income from child support. Petitioner noted that she removed ZR from her case last March and for some reason he kept appearing on the form. Petitioner indicated she needed to add him back to the case now and that he was currently seeking employment. (Exhibit A, pp. 41-44)
8. A report from Equifax documented that ZR had earnings from employment with [REDACTED] from April 5, 2024 to January 24, 2025. (Exhibit A, pp. 34-35)
9. The OEA determined that Petitioner was overissued FAP benefits from December 1, 2024 to February 28, 2025, in the amount of \$660.00, due to agency error of adding ZR back into the home, and including his income in the FAP budgets, when Petitioner reported ZR was out of the home. (Exhibit A, pp. 26-32)
10. On July 7, 2025, the Department sent Petitioner a Notice of Overissuance instructing her that a \$660.00 overissuance of FAP benefits occurred from December 1, 2024 to February 28, 2025, due to agency error and would be recouped. (Exhibit A, pp. 12-17)

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11. On July 22, 2025, the Department received Petitioner's request for hearing protesting the recoupment of FAP benefits¹. (Exhibit A, pp. 4-10)
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CONCLUSIONS OF LAW

Department policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Department of Health and Human Services Bridges Eligibility Manual (BEM), Department of Health and Human Services Reference Tables Manual (RFT), and Department of Health and Human Services Emergency Relief Manual (ERM).

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

Department policy requires clients to completely and truthfully answer all questions on forms and in interview. BAM 105 (March 1, 2024) p. 7. Generally, clients must also report changes in circumstance that potentially affect eligibility or benefit amount within 10 days. BAM 105, pp. 10-12. However, the change reporting requirements are different for FAP simplified reporters. FAP simplified reporting households must report when the household monthly income exceeds the monthly gross income limit for its household size. 7 CFR 273.12(a)(5)(ii)(G)(1) Further, periodic reports are to be submitted on which it is requested that the household report any changes in circumstances. 7 CFR 273.12(a)(5)(iii). Similarly, Department policy regarding change reporting for FAP simplified reporting household indicates that simplified reporting groups are required to report only when: the group's actual gross monthly income (not converted) exceeds the SR income limit for their group size; the group receives a single lottery or gambling winning of \$4,500 or more; a mandatory TLFA participant is working less than 20 hours per week (80 hours a month). If the group has an increase in income, the group must determine their total gross income at the end of that month. If the total gross income exceeds the group's SR income limit, the group must report this change to their specialist by the 10th day of the following month, or the next business day if the 10th day falls on a weekend or holiday. Once assigned to SR, the group remains in SR throughout the current benefit period unless they report changes at their semi-annual contact or redetermination that make them ineligible for SR. BAM 200, October 1, 2024, p. 1. Groups meeting the simplified

¹ Petitioner's hearing request contested three recoupment determinations: Claim ID [REDACTED] for dates June 1, 2024 through August 31, 2024, Claim ID [REDACTED] for dates May 1, 2024 through August 31, 2024; and Claim ID [REDACTED] for dates December 1, 2024 through February 28, 2025. Separate hearings were scheduled for each claim under docket numbers 25-027618, 25-027715, and 25-027717. The hearing under docket number 25-027618 addressed Claim ID [REDACTED] and was held on its own. The hearings under docket number 25-027715 (addressing Claim ID [REDACTED]) and docket number 25-027717 (addressed Claim ID [REDACTED]) were held together because the same OEA represented the Department for both claims.

25-027715

reporting category at application and redetermination are assigned a 12-month benefit period and are required to have a semi-annual contact. BAM 200, p. 3.

For FAP, the Department will act on a change reported by means other than a tape match within 10 days of becoming aware of the change. BAM 220, November 1, 2023, p. 7. A pending negative action occurs when a negative action requires timely notice based on the eligibility rules in this item. Timely notice means that the action taken by the department is effective at least 12 calendar days following the date of the department's action. BAM 220, p. 13.

When a client group receives more benefits than it is entitled to receive, the Department must attempt to recoup the overpayment. BAM 700, June 1, 2024, p. 1. An agency error is a type of overpayment or underissuance resulting from an incorrect action or failure to take action by the state agency. A client error is a type of overpayment or underissuance resulting from inaccurate reporting on the part of the household. BAM 700, p. 5. An overpayment may involve more than one overpayment type. If an agency error and client error occur in the same OP period, process as an agency error. BAM 700, p. 3. Agency and client errors are not pursued if the OP amount is equal to or less than \$250 per program. BAM 700 p. 5.

The OEA determined that Petitioner was overissued FAP benefits from December 1, 2024 to February 28, 2025, in the amount of \$660.00, due to agency error of adding ZR back into the home, and including his income in the FAP budgets, when Petitioner reported ZR was out of the home. (Exhibit A, pp. 26-32).

On April 10, 2024, Petitioner submitted a Report Changes form stating household member ZR moved out of the home. Petitioner reported that ZR left the household April 1, 2024. Petitioner indicated ZR moved out as he went back to over the road trucking across the country; ZR lives out of his semi; and ZR just visits the children a weekend here and there for now. (Exhibit A, pp. 22-23). On July 6, 2024, Petitioner submitted a Renew Benefits form for the FAP case. Petitioner removed ZR as a household member. Petitioner indicated she had previously reported ZR out of the home. (Exhibit A, pp. 52-55). On August 14, 2024, an interview was completed with Petitioner. It was noted that there was a New Hire/Wage Match for ZR, but he was already reported as being out of the household. Petitioner reported ZR had been out of the household since April, he was supposed to visit on weekends when home from trucking, but that had not really been happening. It was noted that the Department received a report of ZR being out of the home on April 10, 2024, that had not been processed. (Exhibit A, pp. 45-51). On October 20, 2024, Petitioner submitted a Report Changes form stating household member ZR moved out of the home. Petitioner reported that ZR left the household March 25, 2024. Petitioner indicated she had previously requested that he be removed from the case, but ZR remains on the case. Petitioner acknowledges that they are a couple, but stated he does not live in the home. Petitioner explained that ZR has no home, he is a truck driver and lives out of his truck. Petitioner acknowledged that ZR uses her address for mail and noted that they have started a support case already. (Exhibit A, pp. 20-21). On November 19, 2024,

25-027715

Petitioner submitted a Report Changes form stating household member ZR moved out of the home. Petitioner reported that ZR left the household March 25, 2024. Petitioner indicated she had previously requested that he be removed from the case, but he keeps getting added back to the case. Petitioner also noted she already filed the support case and she was waiting on them to finalize that. (Exhibit A, pp. 18-19). On February 1, 2025, Petitioner submitted a Renew Benefits form for FAP benefits for her household. The reported household members included ZR. Petitioner reported the household only had income from child support. Petitioner noted that she removed ZR from her case last March and for some reason he kept appearing on the form. Petitioner indicated she needed to add him back to the case now and that he was currently seeking employment. (Exhibit A, pp. 41-44).

A report from Equifax documented that ZR had earnings from employment with [REDACTED] from April 5, 2024 to January 24, 2025. (Exhibit A, pp. 34-35).

From December 1, 2024 to February 28, 2025, Petitioner received FAP benefits totaling \$4,980.00. (Exhibit A, p. 25). The OEA recalculated the FAP budgets for the period of December 1, 2024 through February 28, 2025, with the updated household composition and income for the remaining household members. The OEA determined that the household was only eligible for \$4,320.00 in FAP benefit during that period. (Exhibit A, pp. 26-32).

Petitioner agrees that ZR was not in the home during the overpayment period, but contests that she should have to repay benefits for an agency error. (Exhibit A, pp. 4-10; Petitioner Testimony).

The above cited BAM 700 policy requires the Department to recoup the overpayment when a client group receives more benefits than it is entitled to receive. This includes overpayments caused by client or agency errors when the amount is at least \$250 per program.

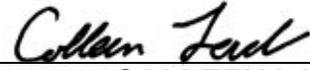
Overall, the evidence supports the Department's determination that Petitioner received an overpayment of FAP benefits from December 1, 2024 to February 28, 2025, in the amount of \$660.00, due to agency error of adding ZR back into the home, and including his income in the FAP budgets, when Petitioner reported ZR was out of the home. Therefore, the Department properly sought recoupment of a \$660.00 client error overpayment of FAP benefits from Petitioner.

DECISION AND ORDER

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department acted in accordance with Department policy when it determined that Petitioner received the \$660.00 overpayment of FAP benefits from December 1, 2024 to February 28, 2025, due to agency error, which must be recouped.

25-027715

Accordingly, the Department's decision is **AFFIRMED**



COLLEEN LACK
ADMINISTRATIVE LAW JUDGE

APPEAL RIGHTS: Petitioner 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 through the State Bar of Michigan at <https://rs.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.

25-027715



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