

Date Mailed: November 5, 2025
Docket No.: 25-030279
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 Regulations (CFR), particularly 7 CFR 273.16. After due notice, a telephone hearing was held on November 4, 2025. The Department was represented by Office of Inspector General (OIG) Regulation Agent Ra'Male Roundtree. Respondent [REDACTED] 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).

A 73-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 January 31, 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 January 31, 2024 (fraud period), Respondent received [REDACTED] in FAP benefits.
2. On March 31, 2023, Respondent applied for FAP benefits for Respondent and Respondent's daughter. No household employment or income was reported.

Respondent's signature on the assistance application verified that Respondent acknowledged and understood Respondent's rights and responsibilities.

3. On April 25, 2023, the Department mailed a notice of case action to Respondent to notify Respondent that Respondent was approved for FAP benefits based on reported earned income of [REDACTED] per month. The Department instructed Respondent to report all changes in household income to the Department within 10 days of the date of the change. A blank change report was also provided for Respondent to report any changes.
4. Beginning April 2023, Respondent began receiving income from Respondent's employment at United Staffing Agency, Inc. and continued to receive income from this employment during the fraud period.
5. Respondent failed to timely report to the Department Respondent's employment and income.
6. Respondent did not have any impairment that would have limited Respondent's understanding of Respondent's reporting responsibilities or Respondent's ability to carry out Respondent's reporting responsibilities.
7. On March 1, 2024, Respondent reported Respondent's employment at United Staffing Agency, Inc.
8. During the fraud period, Respondent received the following in gross income 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
 - e. [REDACTED] in October 2023
 - f. [REDACTED] in November 2023
 - g. [REDACTED] in December 2023
 - h. [REDACTED] in January 2024
9. During the fraud period, Respondent was receiving FAP benefits from the Department while Respondent was employed at United Staffing Agency, Inc.; and Respondent did not timely report to the Department Respondent's income from Respondent's employment at United Staffing Agency, Inc.
10. The Department was unaware of Respondent's employment income from [REDACTED], so the Department continued to pay FAP benefits to Respondent while Respondent was working and earning income.

11. The Department investigated Respondent's case and determined that it overpaid FAP benefits to Respondent because Respondent had unreported income.
12. The Department determined that Respondent was overpaid [REDACTED] in FAP benefits during the fraud period.
13. On August 22, 2025, the Department's OIG filed a hearing request to establish that Respondent was overpaid [REDACTED] in FAP benefits during the fraud period, and that Respondent committed an IPV.
14. The Department's OIG requested Respondent be disqualified from the FAP for 12 months.
15. 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

The Supplemental Nutrition Assistance Program (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).

Overpayment

A recipient claim is an amount owed because of benefits that were overpaid or benefits that were trafficked. 7 CFR 273.18(a)(1). When a client group receives more benefits than entitled to receive, the Department must attempt to recoup the overpayment. BAM 700 (June 1, 2024), p. 1.

In this case, Respondent received more benefits than Respondent was entitled to receive because Respondent failed to timely report Respondent's earned income. Household income is considered when determining a household's FAP benefit. During the fraud period the Department overpaid [REDACTED] in FAP benefits without considering Respondent's earned income. The Department presented sufficient evidence to establish that Respondent was overpaid [REDACTED] in FAP benefits during the fraud period.

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 had a change in employment and income that Respondent purposely failed to report to the Department so that Respondent could maintain Respondent's FAP benefits. Respondent was required to report changes in Respondent's circumstances to the Department within 10 days of the change. 7 CFR 273.12(a)(2). Although the Department clearly and correctly instructed Respondent to report changes to the Department within 10 days, Respondent failed to report that Respondent had a change in employment and income within 10 days of the date of the change.

Disqualification

In general, individuals found to have committed an IPV 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). Only the individual who committed the violation shall be disqualified – not the entire household. 7 CFR 273.16(b)(11).

In this case, there is no evidence that Respondent has ever been found to have committed an IPV related to FAP benefits. Thus, this is Respondent's first IPV related to FAP benefits, and Respondent is subject to a 12-month disqualification from the FAP.

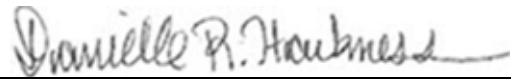
DECISION AND ORDER

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. Respondent received a [REDACTED] overpayment of FAP benefits during the fraud period that the Department is entitled to recoup and/or collect as a recipient claim.
2. The Department established by clear and convincing evidence that Respondent committed an IPV.

3. Respondent is personally disqualified from the FAP for 12 months.

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

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

Via First Class Mail:

Respondent

[REDACTED]