



**Date Mailed:** October 14, 2025  
**Docket No.:** 25-033109  
**Case No.:** [REDACTED]  
**Petitioner:** [REDACTED]

[REDACTED]  
MI [REDACTED]

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

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**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; 42 CFR 438.400 to 438.424; 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 by telephone on October 8, 2025. Petitioner appeared and represented himself. The Department of Health and Human Services (Department) was represented by Arnesia Woods, Eligibility Specialist, and Eileen Kott, Family Independence Manager.

### **ISSUE**

Did the Department properly reduce Petitioner's Food Assistance Program (FAP) benefit issuance due to recoupment of an overpayment (OP)?

### **FINDINGS OF FACT**

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

1. The Department previously established that Petitioner received an OP of FAP benefits as follows:
  - a. From April 1, 2022 to August 31, 2022, in the amount of \$1,659, due to an Intentional Program Violation (IPV), and
  - b. From September 1, 2022 to October 31, 2022, in the amount of \$709, due to Agency Error (AE).(Exhibit A, p. 25, Serial No. 59; p. 26, Serial No. 54).
2. From June 1, 2024 to May 31, 2025, Petitioner was disqualified from receipt of FAP benefits due to an IPV. (Exhibit A, p. 25, Serial No. 59).
3. Petitioner receives Retirement, Survivors, and Disability Insurance (RSDI) income of \$ [REDACTED] per month. (Exhibit A, p. 24, Serial No. 69).
4. Petitioner previously received unemployment compensation income of \$ [REDACTED] per month. (Exhibit A, p. 24, Serial No. 76).

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5. On [REDACTED] 2025, the Department received an application for FAP benefits from Petitioner for himself. Petitioner reported that he was employed by the [REDACTED] (Employer 1), worked 16 hours per week, and earned \$ [REDACTED] bi-weekly. (Exhibit A, pp. 9 – 15).
  6. On June 16, 2025, the Department interviewed Petitioner. Petitioner confirmed that he received RSDI income and was employed by Employer 1. (Exhibit A, p. 24, Serial No. 69).
  7. On June 17, 2025, the Department received two paystubs from Petitioner from his employment with Employer 1. (Exhibit A, pp. 17 – 18).
  8. On June 24, 2025, the Department sent Petitioner a Notice of Case Action (NOCA) that approved him for FAP benefits of \$150 from June 2, 2025 to June 30, 2025, and \$125 per month effective July 1, 2025, for a one-person FAP group. Petitioner's FAP benefits were based on \$ [REDACTED] earned income and \$ [REDACTED] in unearned income, and reduced by \$31 per month to recoup a FAP OP. (Exhibit A, pp. 19 – 20).
  9. On August 19, 2025, Petitioner called the Department and reported that he had additional income from a second job. The Department obtained income records from the Work Number by Equifax for Petitioner's employment with [REDACTED] (Employer 2). (Exhibit A, p. 24, Serial No. 75; pp. 30 – 32).
  10. On August 19, 2025, the Department sent Petitioner a NOCA that decreased his issued FAP benefit to \$3 per month effective October 1, 2025, for a one-person FAP group. Petitioner's FAP benefits were based on \$ [REDACTED] in earned income and \$ [REDACTED] in unearned income, and reduced by \$20 per month to recoup a FAP OP. (Exhibit A, pp. 33 – 34).
  11. On September 3, 2025, the Department received a request for hearing from Petitioner, disputing the Department's NOCA dated August 19, 2025, approving Petitioner for \$3 in monthly FAP benefits. (Exhibit A, pp. 4 – 8).
  12. On September 4, 2025, the Department reviewed Petitioner's FAP budget and removed unemployment income that was budgeted in error. (Exhibit A, p. 24, Serial No. 76).
  13. On September 4, 2025, the Department sent Petitioner a Benefit Notice that approved Petitioner for FAP benefits of:
    - a. \$224 for June 2, 2025 to June 30, 2025,
    - b. \$205 for July 2025,
    - c. \$23 for August and September 2025, and

d. \$4 effective October 1, 2025 ongoing,

for a one-person FAP group. The Benefit Notice informed Petitioner that it was issued to correct his budgeted earned and unearned income from June 2, 2025 ongoing, and included a budget summary for each benefit period identified on the notice. The Benefit Notice reflected that effective October 1, 2025, Petitioner's FAP benefit continued to be reduced by \$20 per month to recoup a FAP OP. (Exhibit A, pp. 38 – 43).

### **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.

Petitioner requested a hearing to dispute the Department's August 19, 2025, NOCA that approved Petitioner for FAP benefits of \$3 per month. The NOCA reflected that Petitioner was approved for FAP benefits of \$3 per month effective October 1, 2025, based in part on a \$20 withholding of FAP benefits for repayment of an OP.

During the hearing, Petitioner clarified that he did not dispute that he was eligible for \$23 per month in FAP benefits, but he did dispute that the Department was withholding FAP benefits to recoup a FAP OP that he did not believe he should have to repay.

As a preliminary matter, although Petitioner asserted that he should not be responsible for repayment of the FAP OP, the evidence established that both the AE and IPV OPs were established over a year prior to the instant hearing. The rehearing, reconsideration, and/or appeal process is governed by the Michigan Administrative Code, Rule 792.11015, *et seq.*, and applicable policy provisions articulated in BAM, specifically BAM 600, which provide that a rehearing or reconsideration must be filed in a timely manner, which is generally 30 days for decisions issued by the Michigan Office of Administrative Hearings and Rules (MOAHR) and 90 days for actions taken by the Department; and appeals may be filed with the circuit court. Therefore, because Petitioner's request for hearing in the instant case was submitted more than a year after the FAP OP due to AE and IPV were established, Petitioner was advised that to the extent he requested to have those issues redetermined, his request was denied.

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The only remaining issue to be determined was whether the Department properly reduced Petitioner's FAP benefit issuance through administrative recoupment (AR).

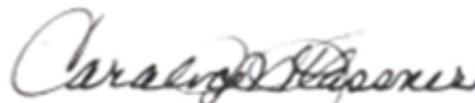
The Department may recover a FAP OP through AR or by any other means permitted under state or federal laws and regulations for collection of a debt. BAM 725 (January 2021), pp. 1 – 3, 5 – 12. When a client is actively receiving FAP benefits and owes the Department a FAP OP, the issued FAP benefits are reduced by a percentage of the monthly FAP entitlement, withheld by the Department as an AR, and applied against the client's OP amount. BAM 725, pp. 7 – 8. The standard administrative recoupment percentage for FAP is 10% (or \$10, whichever is greater) for AE or client error (CE), and 20% (or \$20, whichever is greater) for an IPV. BAM 725, p. 8. Additionally, FAP supplements to restore lost benefits are automatically offset, in whole or in part, to repay a FAP OP. BAM 725, p. 8.

Here, the Department credibly testified that there are outstanding balances owed on both the IPV and AE FAP OPs, and Petitioner did not dispute the Department's representations. Because Petitioner is a current recipient of FAP benefits who owes the Department a FAP OP due to an IPV and AE, Department policy requires the Department to reduce Petitioner's FAP benefit issuance through AR until the OP is paid in full. There was no dispute that Petitioner was eligible for \$23 of monthly FAP benefits, which was subsequently increased to \$24 per month, and that \$20 is more than 20% of \$23 or \$24. Therefore, the Department properly reduced Petitioner's FAP benefit issuance by \$20 as an AR.

### **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 reduced Petitioner's ongoing FAP benefit issuance by \$20 as an AR of Petitioner's FAP OP.

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



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**CARALYCE M. LASSNER**  
**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://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:**

**Respondent**

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**Via First Class Mail:**

**Petitioner**

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