



**Date Mailed:** October 9, 2025

**Docket No.:** 25-033273

**Case No.:** [REDACTED]

**Petitioner:** [REDACTED] [REDACTED]

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

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Date Mailed: October 9, 2025  
Docket No.: 25-033273  
Case No.: [REDACTED]  
Petitioner: [REDACTED]

### HEARING DECISION

On September 9, 2025, Petitioner [REDACTED] requested a hearing to dispute a Food Assistance Program (FAP) benefit overpayment. As a result, a hearing was scheduled to be held on October 7, 2025. Public assistance hearings are held 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; 45 CFR 205.10; and Mich Admin Code, R 792.11002.

The parties appeared for the scheduled hearing. Petitioner appeared and represented herself. Respondent Michigan Department of Health and Human Services (Department) had Overpayment Establishment Analyst Lisa Carlson appear as its representative. There were no other participants.

Both parties provided sworn testimony, and one exhibit was admitted into evidence. A 78-page packet of documents provided by the Department was admitted collectively as Exhibit A.

### ISSUE

Did the Department properly determine that Petitioner owes the Department a debt of \$[REDACTED] for Food Assistance Program (FAP) benefits that were overpaid to her for the months of January 2025 through May 2025?

### FINDINGS OF FACT

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

1. On November [REDACTED] 2024, Petitioner applied to receive FAP benefits from the Department. Petitioner reported in her application that: (a) she had a household size of four, (b) she was employed by [REDACTED] [REDACTED] [REDACTED] (c) she was working 30-40 hours per week and paid \$[REDACTED] per hour, (d) her spouse was employed by [REDACTED] (e) her spouse was working 40 hours per week and paid \$[REDACTED] per hour, and (f) she was receiving additional income from child support.
2. On November [REDACTED] 2024, the Department interviewed Petitioner to obtain additional information to determine her eligibility. During the interview, Petitioner reported that: (a) she had a household size of four, (b) she was employed by [REDACTED]

████████ (c) she was working 30-40 hours per week and paid \$████ per hour, (d) her spouse was employed by █████ (e) her spouse was working 40 hours per week and paid \$████ per hour, and (f) she was receiving additional income from child support.

3. On December █ 2024, Petitioner provided the Department with copies of her paystubs. The paystubs showed the following information:
  - a. On October █ 2024, ██████████ paid Petitioner gross earnings of \$████ for 13.30 hours of work for the pay period running from October 5, 2024, through October 11, 2024.
  - b. On October █ 2024, ██████████ paid Petitioner gross earnings of \$████ for 34.13 hours of work for the pay period running from October 12, 2024, through October 18, 2024.
  - c. On November █ 2024, ██████████ paid Petitioner gross earnings of \$████ for 28.47 hours of work for the pay period running from October 19, 2024, through October 25, 2024.
  - d. On November █ 2024, ██████████ paid Petitioner gross earnings of \$████ for 32.04 hours of work for the pay period running from October 26, 2024, through November 1, 2024.
  - e. On November █ 2024, ██████████ paid Petitioner gross earnings of \$████ for 40 hours of work and 21 hours of overtime for the pay period running from November 2, 2024, through November 8, 2024.
4. The Department budgeted Petitioner's household income, and the Department erroneously budgeted \$████ for the earnings that Petitioner received from Sunshine Child Center on October 25, 2024.
5. On December █ 2024, the Department mailed a notice of case action to Petitioner to notify her that she was approved for FAP benefits. The notice informed Petitioner that she was approved for a FAP benefit amount of \$████ per month, effective December 1, 2024. The notice of case action stated that Petitioner's FAP eligibility was determined based on the following information:
  - a. Household size of four.
  - b. Earned income of \$████ per month.
  - c. Unearned income of \$████ per month.
  - d. A standard deduction of \$217.00 per month.
  - e. An internet deduction of \$50.00 per month.

f. Housing costs of \$ [REDACTED] per month.

g. A heat/utility standard of \$664.00 per month.

6. The earned income of \$ [REDACTED] per month consisted of Petitioner's spouse's gross earnings of \$ [REDACTED] from Nemroc and Petitioner's gross earnings of \$ [REDACTED] from Sunshine Childcare Center.

7. The unearned income of \$ [REDACTED] per month consisted of Petitioner's child support. The Department budgeted \$ [REDACTED] for child support for January 2025, and the Department budgeted \$ [REDACTED] per month for child support for February 2025 through May 2025.

8. The Department issued the following FAP benefits to Petitioner:

- \$ [REDACTED] for January 2025.
- \$ [REDACTED] for February 2025.
- \$ [REDACTED] for March 2025.
- \$ [REDACTED] for April 2025.
- \$ [REDACTED] for May 2025.

9. In May 2025, the Department discovered that it budgeted Petitioner's household income incorrectly because it erroneously budgeted \$ [REDACTED] for the earnings that Petitioner received from [REDACTED] on October 25, 2024.

10. The Department reviewed Petitioner's case and redetermined her FAP eligibility. The Department redetermined Petitioner's earned income. The Department used Petitioner's actual gross earnings from [REDACTED] and the Department used the Petitioner's spouse's budgeted gross earnings of \$ [REDACTED] from [REDACTED]

11. Petitioner's actual gross earnings from Sunshine Childcare Center were:

- On January [REDACTED] 2025, [REDACTED] paid Petitioner gross earnings of \$ [REDACTED] for 12.26 hours of work.
- On January [REDACTED] 2025, [REDACTED] paid Petitioner gross earnings of \$ [REDACTED] for 19.11 hours of work.
- On January [REDACTED] 2025, [REDACTED] paid Petitioner gross earnings of \$ [REDACTED] for 26.09 hours of work.
- On January [REDACTED] 2025, Sunshine Childcare Center paid Petitioner gross earnings of \$ [REDACTED] for 40.23 hours of work.

e. On January 31, 2025, Sunshine Childcare Center paid Petitioner gross earnings of \$400.17 for 26.35 hours of work.

f. On February [REDACTED] 2025, [REDACTED] paid Petitioner gross earnings of \$[REDACTED] for 36.16 hours of work.

g. On February [REDACTED] 2025, [REDACTED] paid Petitioner gross earnings of \$[REDACTED] for 34.50 hours of work.

h. On February [REDACTED] 2025, [REDACTED] paid Petitioner gross earnings of \$[REDACTED] for 38.13 hours of work.

i. On March [REDACTED] 2025, [REDACTED] paid Petitioner gross earnings of \$[REDACTED] for 40.00 hours of work and 0.59 hours of overtime.

j. On March [REDACTED] 2025, [REDACTED] paid Petitioner gross earnings of \$[REDACTED] for 27.43 hours of work.

k. On March [REDACTED] 2025, [REDACTED] paid Petitioner gross earnings of \$[REDACTED] for 23.04 hours of work.

l. On March [REDACTED] 2025, [REDACTED] paid Petitioner gross earnings of \$[REDACTED] for 25.08 hours of work.

m. On April [REDACTED] 2025, [REDACTED] paid Petitioner gross earnings of \$[REDACTED] for 37.01 hours of work.

n. On April [REDACTED] 2025, [REDACTED] paid Petitioner gross earnings of \$[REDACTED] for 15.53 hours of work.

o. On April [REDACTED] 2025, [REDACTED] paid Petitioner gross earnings of \$437.97 for 31.17 hours of work.

p. On April [REDACTED] 2025, [REDACTED] paid Petitioner gross earnings of \$437.97 for 31.17 hours of work.

q. On May [REDACTED] 2025, [REDACTED] paid Petitioner gross earnings of \$[REDACTED] for 31.51 hours of work.

r. On May [REDACTED] 2025, [REDACTED] paid Petitioner gross earnings of \$[REDACTED] for 40.00 hours of work.

s. On May [REDACTED] 2025, [REDACTED] paid Petitioner gross earnings of \$[REDACTED] for 39.06 hours of work.

t. On May [REDACTED] 2025, [REDACTED] paid Petitioner gross earnings of \$[REDACTED] for 30.30 hours of work.

u. On May [REDACTED] 2025, [REDACTED] paid Petitioner gross earnings of \$[REDACTED] for 37.21 hours of work.

12. The Department determined that Petitioner's gross earnings from Sunshine Childcare Center were as follows:

- \$[REDACTED] for January 2025.
- \$[REDACTED] for February 2025.
- \$[REDACTED] for March 2025.
- \$[REDACTED] for April 2025.
- \$[REDACTED] for May 2025.

13. The Department determined that Petitioner was eligible to receive the following FAP benefits:

- \$[REDACTED] for January 2025.
- \$[REDACTED] for February 2025.
- \$[REDACTED] for March 2025.
- \$[REDACTED] for April 2025.
- \$[REDACTED] for May 2025.

14. The Department determined that it overpaid Petitioner due to the Department's error.

15. The Department determined that it overpaid Petitioner \$[REDACTED] in FAP benefits because it issued her a total of \$[REDACTED] for the months of January 2025 through May 2025 when she was only eligible to receive a total of \$[REDACTED]

16. On July [REDACTED] 2025, the Department mailed a notice of overissuance to Petitioner to notify her that the Department overpaid her \$[REDACTED] in FAP benefits for the months of January 2025 through May 2025.

17. Petitioner requested a hearing to dispute the overpayment.

#### **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) 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 administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-119b, and Mich Admin Code, R 400.3001-3011.

In this case, the Department determined that it overpaid Petitioner \$ [REDACTED] in FAP benefits for the months of January 2025 through May 2025. When a client receives more benefits than she was entitled to receive, the Department must attempt to recoup the overpayment. BAM 700 (June 1, 2024), p. 1. The overpayment amount is the amount of benefits in excess of the amount the client was eligible to receive. *Id.* at 2.

The Department determined that it overpaid FAP benefits to Petitioner because the Department did not properly budget Petitioner's earned income from [REDACTED] [REDACTED] when Petitioner applied for FAP benefits. The Department acknowledged that the overpayment was due to the Department's error. The Department properly determined that the first month that was affected by the Department's error was January 2025 because Petitioner reported her income on December [REDACTED] 2024, the Department had 10 days to act on the information, and the Department's negative action could not have taken effect until 12 days after the Department notified Petitioner of her FAP eligibility.

In January 2025, Petitioner received gross earnings of \$ [REDACTED] from [REDACTED] [REDACTED] Thus, Petitioner's total household earned income was \$ [REDACTED] with Petitioner's spouse's gross earnings of \$ [REDACTED] from [REDACTED] Petitioner was eligible for an earned income deduction of \$ [REDACTED] Petitioner received unearned income of \$ [REDACTED] from child support. Therefore, Petitioner's gross household income was \$ [REDACTED] Petitioner was eligible for a standard deduction of \$217.00. Petitioner was not eligible for an excess shelter deduction. Accordingly, Petitioner's net household income was \$ [REDACTED] and Petitioner was eligible for a maximum FAP benefit of \$ [REDACTED] RFT 260 (October 1, 2024), p. 44.

In February 2025, Petitioner received gross earnings of \$ [REDACTED] from [REDACTED] [REDACTED] Thus, Petitioner's total household earned income was \$ [REDACTED] with Petitioner's spouse's gross earnings of \$ [REDACTED] from [REDACTED] Petitioner was eligible for an earned income deduction of \$ [REDACTED] Petitioner received unearned income of \$ [REDACTED] from child support. Therefore, Petitioner's gross household income was \$ [REDACTED] Petitioner was eligible for a standard deduction of \$217.00. Petitioner was not eligible for an excess shelter deduction. Accordingly, Petitioner's net household income was \$ [REDACTED] and Petitioner was eligible for a maximum FAP benefit of \$ [REDACTED] RFT 260 (October 1, 2024), p. 39.

In March 2025, Petitioner received gross earnings of \$ [REDACTED] from [REDACTED] [REDACTED] Thus, Petitioner's total household earned income was \$ [REDACTED] with Petitioner's spouse's gross earnings of \$ [REDACTED] from [REDACTED] Petitioner was eligible for an earned income deduction of \$ [REDACTED] Petitioner received unearned income of \$ [REDACTED] from child support. Therefore, Petitioner's gross household income was \$ [REDACTED] Petitioner was eligible for a standard deduction of \$217.00. Petitioner was not eligible for an excess shelter deduction. Accordingly, Petitioner's net household income was \$ [REDACTED] and Petitioner was eligible for a maximum FAP benefit of \$ [REDACTED] RFT 260 (October 1, 2024), p. 41.

In April 2025, Petitioner received gross earnings of \$ [REDACTED] from [REDACTED] [REDACTED] Thus, Petitioner's total household earned income was \$ [REDACTED] with Petitioner's spouse's gross earnings of \$ [REDACTED] from [REDACTED] Petitioner was eligible for an earned income deduction of \$ [REDACTED] Petitioner received unearned income of \$ [REDACTED] from child support. Therefore, Petitioner's gross household income was \$ [REDACTED] Petitioner was eligible for a standard deduction of \$217.00. Petitioner was not eligible for an excess shelter deduction. Accordingly, Petitioner's net household income was \$ [REDACTED] and Petitioner was eligible for a maximum FAP benefit of \$ [REDACTED] RFT 260 (October 1, 2024), p. 41.

In May 2025, Petitioner received gross earnings of \$ [REDACTED] from [REDACTED] [REDACTED] Thus, Petitioner's total household earned income was \$ [REDACTED] with Petitioner's spouse's gross earnings of \$ [REDACTED] from [REDACTED] Petitioner was eligible for an earned income deduction of \$927.00. Petitioner received unearned income of \$ [REDACTED] from child support. Therefore, Petitioner's gross household income was \$ [REDACTED] Petitioner was eligible for a standard deduction of \$217.00. Petitioner was not eligible for an excess shelter deduction. Accordingly, Petitioner's net household income was \$ [REDACTED] and Petitioner was eligible for a maximum FAP benefit of \$ [REDACTED] RFT 260 (October 1, 2024), p. 50.

In summary, Petitioner was eligible to receive a total of \$ [REDACTED] in FAP benefits for the months of January 2025 through May 2025. The Department issued Petitioner a total of \$ [REDACTED] in FAP benefits for the months of January 2025 through May 2025, so the Department overpaid Petitioner \$ [REDACTED] in FAP benefits. The Department determined that it overpaid Petitioner \$ [REDACTED] in FAP benefits for the months of January 2025 through May 2025. The Department properly determined that it overpaid Petitioner FAP benefits for the months of January 2025 through May 2025, but the Department did not properly determine the overpayment amount. Therefore, the Department's decision is affirmed in part and reversed in part. The Department must redetermine the overpayment amount consistent with this decision.

25-033273

## **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 its policies and the applicable law when it determined that it overpaid Petitioner FAP benefits for the months of January 2025 through May 2025, but the Department did not properly determine the overpayment amount.

**IT IS ORDERED** that the Department's decision is **AFFIRMED IN PART AND REVERSED IN PART**. The Department's decision that it overpaid Petitioner FAP benefits for the months of January 2025 through May 2025 is affirmed, but the overpayment amount of \$ [REDACTED] is reversed. The Department must redetermine the overpayment amount consistent with this hearing decision. The Department must begin to implement this order within 10 days from the mailing date of this hearing decision.



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**JEFFREY KEMM**  
**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](http://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

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**Via Electronic Mail:**

**Respondent**

ALPENA COUNTY DHHS  
600 WALNUT ST  
ALPENA, MI 49707  
**MDHHS-GR8NORTH-**  
**HEARINGS@MICHIGAN.GOV**

**Agency Representative**

LISA CARLSON  
OVERPAYMENT ESTABLISHMENT  
SECTION (OES)  
235 S GRAND AVE STE 811  
LANSING, MI 48933  
**MDHHS-RECOUPMENT-**  
**HEARINGS@MICHIGAN.GOV**

**Via First Class Mail:**

**Petitioner**

A series of four horizontal black bars of varying lengths, representing redacted names of petitioners.