



**Date Mailed:** November 14, 2025  
**Docket No.:** 25-034177  
**Case No.:** [REDACTED]  
**Petitioner:** [REDACTED]



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

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Ky është një dokument ligjor i rëndësishëm. Ju lutem, kini dikë ta përktheni dokumentin.

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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 November 6, 2025. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Julie Barr, Overpayment Establishment Analyst.

### **ISSUE**

Did the Department properly determine that Petitioner received an overpayment (OP) of Food Assistance Program (FAP) benefits due to agency error (AE)?

Did the Department properly determine that Petitioner received an OP of Family Independence Program (FIP) cash assistance benefits due to AE?

### **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 January 18, 2023, the Department sent Petitioner a Notice of Case Action (NOCA) that approved her for FAP benefits of \$740 per month effective January 1, 2023, for a three-person FAP group based on \$ [REDACTED] earned or unearned income, and informed her to report changes in her income to the Department within 10 days. (Exhibit A, pp. 13 – 20).
1. On April 25, 2023, the Department sent Petitioner a NOCA that approved her for FIP cash assistance effective April 1, 2023, for a three-person FIP group based on \$ [REDACTED] budgetable income, and informed her to report changes in her income to the Department within 10 days. (Exhibit A, pp. 93 – 101).
2. On June 20, 2023, Petitioner started working for [REDACTED] (Employer). Petitioner received her first paycheck on July 7, 2023, and remained employed by Employer until March 5, 2024. (Exhibit A, pp. 21, 35 – 36).
3. On July 10, 2023, the Department received an Employer New Hire Notice regarding Petitioner's employment with Employer. (Exhibit A, p. 46).

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4. On September 16, 2023, the Department received a Change Report from Petitioner. Petitioner reported her employment and income from Employer. (Exhibit A, pp. 21 – 22).
  5. From September 1, 2023 to December 31, 2023, the Department did not budget Petitioner's income from Employer for purposes of determining her FAP eligibility and benefit amount. (Exhibit A, pp. 48, 65).
  6. From September 1, 2023 to January 31, 2024, the Department did not budget Petitioner's income from Employer for purposes of determining her FIP eligibility and benefit amount. (Exhibit A, pp. 138, 149).
  7. From September 1, 2023 to December 31, 2023, Petitioner received FAP benefits in the amount of \$3,038. (Exhibit A, pp. 31 – 33).
  8. From September 1, 2023 to January 31, 2024, Petitioner received FIP benefits in the amount of \$[REDACTED]. (Exhibit A, pp. 122 – 123).
  9. On August 27, 2025, the Department sent Petitioner a Notice of Overissuance informing her that she received more FAP benefits than she was eligible to receive for the period of September 1, 2023 to December 31, 2023, in the amount of \$2,818, due to AE. (Exhibit A, pp. 48 – 56).
  10. On August 28, 2025, the Department sent Petitioner a Notice of Overissuance informing her that she received more FIP benefits than she was eligible to receive for the period of September 1, 2023 to January 31, 2024, in the amount of \$[REDACTED], due to AE. (Exhibit A, pp. 149 – 154).
  11. On September 11, 2025, and September 17, 2025, the Department received Petitioner's requests for hearing, disputing that she should have to repay a FAP or FIP OP due to an error by the Department. (Exhibit A, pp. 6 – 7, 79 – 83).

### **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.

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The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. No. 104-193, and 42 USC 601 to 679c. The Department (formerly known as the Department of Human Services) administers FIP pursuant to 45 CFR 233-260, MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3101-.3131.

Petitioner requested a hearing in this matter to dispute the finding by the Department that Petitioner received a FAP OP and a FIP OP that she is required to repay. The Department alleged Petitioner received an OP of FAP benefits for the period of September 1, 2023 to December 31, 2023, in the amount of \$2,818 due to AE. The Department also alleged Petitioner received an OP of FIP benefits for the period of September 1, 2023 to January 31, 2024, in the amount of \$ [REDACTED] due to AE.

When a client group receives more benefits than entitled to receive, the Department must attempt to recoup the OP. BAM 700 (June 2024), p. 1; 7 CFR 273.18(a)(2). The amount of a FAP OP is the benefit amount the client actually received minus the amount the client was eligible to receive. BAM 705 (June 2024), p. 6; 7 CFR 273.18(c)(1). An OP can be caused by client error, AE, or an intentional program violation (IPV). BAM 700, pp. 5 – 9. An AE is caused by incorrect actions by the Department, including not using available information. BAM 700, p. 2; 705, p. 1; 7 CFR 273.18(b)(3). When an AE OP in excess of \$250 is discovered, the Department is required to establish a claim for repayment of the OP. BAM 700, p. 5; BAM 705, p. 7; 7 CFR 273.18(d)(3).

The Department testified that although Petitioner reported the change in her income and employment, it received an employer new hire notice prior to Petitioner's change report, and failed to act on the notice and redetermine Petitioner's eligibility for FAP and FIP benefits; and as a result, Petitioner received an OP of FAP and FIP benefits due to AE. BAM 705, p. 1; BEM 505 (June 2025), pp. 1 – 3. Although Petitioner did not dispute that she received income from employment beginning in July 2023, she disputed that she should be responsible for repaying an OP of FAP and FIP benefits to the Department when the OP was caused by the Department's error. However, when Petitioner applied for benefits from the Department, she acknowledged that she understood that she would have to repay any benefits she should not have received, even if it was due to an error by the Department. (Exhibit A, pp. 11, 91).

In support of its calculations of the OP, the Department presented OP budgets for each month of the FAP OP period and each month of the FIP OP period. (Exhibit A, pp. 48 – 56, 138 – 148). The Department testified that it calculated the OP totals by budgeting Petitioner's correct earned income for each month of the OP periods but made no other changes to the budgets. BEM 505, pp. 13 – 14.

A review of the evidence established that Petitioner received:

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- a) FAP benefits from September 1, 2023 to December 31, 2023 (FAP OP period), in the total amount of \$3,038, based on \$0 earned income and \$492 per month in unearned income attributable to the FIP benefits issued to Petitioner during those benefit months, and
  - b) FIP benefits from September 1, 2023 to January 31, 2024 (FIP OP period), in the total amount of \$[REDACTED], based on \$[REDACTED] budgetable income.

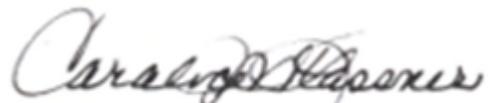
The evidence also established that when the Department properly budgeted Petitioner's earned income from Employer, she was only eligible for a total of \$220 in FAP benefits during the FAP OP period. Therefore, Petitioner received an OP of FAP benefits in the amount of \$2,818 that the Department is entitled to recoup.

The evidence further established that Petitioner received a total of \$[REDACTED] in FIP benefits during the FIP OP period and that when the Department properly budgeted Petitioner's earned income, she was not eligible for any FIP benefits during that period. Therefore, Petitioner received an OP of FIP benefits in the amount of \$[REDACTED] that the Department is entitled to recoup.

### **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 Petitioner received an OP of FAP benefits in the amount of \$2,818 from September 1, 2023 to December 31, 2023, and received an OP of FIP benefits in the amount of \$[REDACTED] from September 1, 2023 to January 31, 2024, that the Department is entitled to recoup or collect.

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

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**Via Electronic Mail:**

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