



Date Mailed: November 13, 2025
Docket No.: 25-036848
Case No.: [REDACTED]
Petitioner: [REDACTED]

[REDACTED] MI [REDACTED]

This is an important legal document. Please have someone translate the document.

هذه وثيقة قانونية مهمة. يرجى أن يكون هناك شخص ما يترجم المستند.

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

Este es un documento legal importante. Por favor, que alguien traduzca el documento.

这是一份重要的法律文件。请让别人翻译文件。

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

Date Mailed: November 13, 2025

Docket No.: 25-036848

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 Bernice Ray, Overpayment Establishment Analyst.

ISSUE

Did the Department properly determine that Petitioner received an overpayment (OP) of Food Assistance Program (FAP) benefits in the amount of \$6,537 for the period of August 1, 2024 to July 31, 2025, due to agency error (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 [REDACTED] 2023, the Department received a completed application for FAP benefits from Petitioner for herself and her two children. Petitioner reported that she was employed by [REDACTED] (Employer), worked an average of 36 hours per week, earned \$ [REDACTED] per hour, and was paid bi-weekly. (Exhibit A, pp. 7 – 14).
1. On November 15, 2023, the Department sent Petitioner a Notice of Case Action (NOCA) that approved her for FAP benefits of \$376 per month, prorated from November 6, 2023, for a three-person FAP group based on \$ [REDACTED] per month in earned income and \$ [REDACTED] per month in unearned income. (Exhibit A, pp. 20 – 21).
2. On March 19, 2024, the Department sent Petitioner a NOCA that approved her for FAP benefits of \$376 per month effective May 1, 2024, for a three-person FAP group based on \$ [REDACTED] per month in earned income and \$ [REDACTED] per month in unearned income. (Exhibit A, pp. 28 – 29).
3. On September 19, 2024, the Department received a completed redetermination application for FAP benefits from Petitioner. Petitioner confirmed that she continued to work for Employer. (Exhibit A, pp. 15 – 17).

-
-
4. On October 1, 2024, the Department sent Petitioner a NOCA that approved her for FAP benefits of \$601 per month effective November 1, 2024, for a three-person FAP group based on \$ [REDACTED] per month in earned income and \$ [REDACTED] unearned income. (Exhibit A, pp. 33 – 34).
 5. On March 24, 2025, the Department received a completed redetermination application for FAP benefits from Petitioner. Petitioner confirmed that she continued to work for Employer. (Exhibit A, pp. 18 – 19).
 6. On March 24, 2025, the Department sent Petitioner a NOCA that approved her for FAP benefits of \$601 per month effective May 1, 2024, for a three-person FAP group based on \$ [REDACTED] per month in earned income and \$ [REDACTED] unearned income. (Exhibit A, pp. 40 – 41).
 7. On June 25, 2025, the Department discovered that since at least August 1, 2024, it had not properly budgeted Petitioner's income from Employer as bi-weekly income when it determined her FAP eligibility and monthly benefit amount. (Exhibit A, p. 109).
 8. From August 1, 2024 to July 31, 2025, Petitioner received FAP benefits in the amount of \$6,537. (Exhibit A, pp. 46 – 47).
 9. On September 23, 2025, the Department sent Petitioner a Notice of Overissuance informing Petitioner that she received more benefits than she was eligible to receive for the period of August 1, 2024 to July 31, 2025, due to AE, for a total OP of \$6,537. (Exhibit A, pp. 103 – 108).
 10. On October 2, 2025, the Department received Petitioner's verbal request for hearing, disputing that she should have to repay a FAP OP due to an error by the Department. (Exhibit A, pp. 3 – 4).

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 in this matter to dispute that she should have to repay a FAP OP due to an error by the Department. The Department alleged that it incorrectly budgeted Petitioner's bi-weekly earnings as monthly earnings, which resulted in Petitioner receiving an OP of FAP benefits from August 1, 2024 through July 31, 2025 (OP period), in the amount of \$6,537 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 (CE), AE, or an intentional program violation (IPV). BAM 700, pp. 5 – 9; 7 CFR 273.18(b). 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 OP due to AE, in excess of \$250, is discovered, the Department is required to establish a claim for repayment for the OP. BAM 700, p. 5; BAM 705, p. 7; 7 CFR 273.18(d)(3). The Department must go back to at least twelve months before it became aware of the OP, but it cannot include amounts that occurred more than six years before it became aware of the OP. BAM 705, pp. 3, 5 – 6; 7 CFR 273.18(c)(i).

In this case, the Department testified that although Petitioner properly reported her income and pay frequency, it incorrectly budgeted Petitioner's bi-weekly earned income as monthly income when it determined her FAP benefit eligibility for each benefit month of the OP period. The Department alleged that because it underbudgeted Petitioner's earned income, she received an OP of FAP benefits due to AE. BAM 705, p. 1.

The evidence established that Petitioner received FAP benefits in the total amount of \$6,537 during the OP period, and the Department alleged the whole amount to have been an OP. In support of its allegation, the Department presented budgets for each month of the OP period. (Exhibit A, pp. 49 – 72). The Department testified that it calculated the OP total by budgeting Petitioner's correct earned income for each month of the OP period and made no other changes to Petitioner's FAP budgets. BEM 505, pp. 13 – 14.

Although Petitioner confirmed that she was employed by Employer throughout the OP period and that the income information presented by the Department was accurate, she disputed that she should be responsible for repaying an OP of FAP benefits to the Department when the OP was caused by the Department's error. However, when Petitioner applied for FAP 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. 13 – 14).

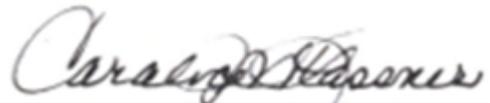
A review of the evidence established that when the Department properly budgeted Petitioner's earned income, Petitioner had excess income in each month of the OP

period and was ineligible for FAP benefits during those months. Therefore, because Petitioner received \$6,537 in FAP benefits during the OP period, the Department properly determined that she received an OP of FAP benefits in that amount due to AE that it 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 due to AE from August 1, 2024 through July 31, 2025, in the total amount of \$6,537, that the Department is entitled to recoup.

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



CARALYCE M. LASSNER
ADMINISTRATIVE LAW JUDGE