

Date Mailed: November 19, 2025

Docket No.: 25-037724

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; 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 via telephone conference on November 18, 2025. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Krysenda Slayton, Overpayment Establishment Analyst (OEA).

During the hearing proceeding, the Department's Hearing Summary packet was admitted as Exhibit A, pp. 1-117.

ISSUE

Did the Department properly determine that Petitioner received Food Assistance Program (FAP) benefits that Petitioner was not eligible for and must be recouped?

FINDINGS OF FACT

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

1. From February 2025 through July 2025, Petitioner received FAP benefits totaling [REDACTED]
2. On June 12, 2024, Petitioner submitted a Renew Benefits form for FAP benefits for Petitioner's household. Petitioner did not report any additional household members and reported Petitioner's employment with [REDACTED]
3. On July 8, 2024, an interview was completed with Petitioner. Petitioner reported Petitioner was not married. Petitioner did not report any additional household members and reported Petitioner's employment with [REDACTED] The rights and responsibilities were reviewed with Petitioner.
4. On July 8, 2024, a Notice of Case Action was issued to Petitioner, approving FAP benefits for a household size of 1. The Notice indicated Petitioner was a simplified reporter (SR) and was only required to report the following: lottery or gambling winnings of \$4,250.00 or more, when household gross monthly income exceeded \$1,580.00, and if Petitioner was subject to time limited food assistance

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requirements (TANF) to report when hours of employment drop below 80 hours a month. A change in income over the SR limit was to be reported by the 10th day of the following month.

5. On July 8, 2024, a Simplified Six Month Review was issued explaining the SR process, including that changes in household members would be asked about during the six month review.
6. Marriage Records show that Petitioner married [REDACTED] on July 20, 2024.
7. On December 4, 2024, Petitioner submitted a Renew Benefits form for FAP benefits for Petitioner's household. Petitioner did not report any additional household members and reported Petitioner's employment with [REDACTED]
8. On January 22, 2025, a Notice of Case Action was issued to Petitioner approving FAP benefits for a household size of 1. The Notice did not indicate Petitioner was a simplified reporter. Petitioner was advised of the general requirement to report changes within 10 days, such as changes with the number of persons in the home.
9. On March 23, 2025, Petitioner submitted a Report Changes form and reported an additional household member as of August 1, 2024, Petitioner's husband [REDACTED].
10. On April 22, 2025, a Notice of Case Action was issued to Petitioner approving FAP benefits for a household of 2. The Notice did not indicate Petitioner was a simplified reporter. Petitioner was advised of the general requirement to report changes within 10 days, such as changes with the number of persons in the home.
11. On July 20, 2025, a Wage Match showed Petitioner's husband had earnings from employment.
12. On July 24, 2025, a Notice of Case Action was issued to Petitioner closing the FAP case effective August 1, 2025, based on gross income in excess of program limits.
13. Employment Verification documented Petitioner's earnings from employment with [REDACTED] from pay dates August 19, 2022, to July 18, 2025. (Exhibit A, pp. 53-56)
14. Employment Verification documented Petitioner's husband's earnings from employment with [REDACTED] from February 10, 2023, to May 8, 2025.
15. Payroll records document that Petitioner's husband received earnings from employment with [REDACTED] from January 10, 2025, to August 1, 2025.

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16. The Department determined that Petitioner was overpaid FAP benefits from February 1, 2025, to July 31, 2025, in the amount of [REDACTED] due to failing to report when Petitioner's household exceeded the SR limit.
 17. On October 10, 2025, the Department sent Petitioner a Notice of Overissuance instructing Petitioner that a [REDACTED] overpayment of FAP benefits occurred from February 1, 2025, to July 31, 2025, due to client error of not reporting when Petitioner's household exceeded the SR limit, and the overpayment would be recouped.
 18. On October 10, 2025, the Department received Petitioner's request for hearing protesting the recoupment of FAP benefits.

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 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.

Department policy requires clients to completely and truthfully answer all questions on forms and in interview. BAM 105 (March 1, 2024) p. 7. Generally, clients must also report changes in circumstance that potentially affect eligibility or benefit amount within 10 days. BAM 105, pp. 10-12.

For FAP, the Department will act on a change reported by means other than a tape match within 10 days of becoming aware of the change. BAM 220 (November 1, 2023), p. 7. A pending negative action occurs when a negative action requires timely notice based on the eligibility rules in this item. Timely notice means that the action taken by the department is effective at least 12 calendar days following the date of the department's action. *Id.* at 13.

When a client group receives more benefits than it is entitled to receive, the Department must attempt to recoup the overpayment. BAM 700 (June 1, 2024), p. 1. An agency error is a type of overpayment or underissuance resulting from an incorrect action or failure to take action by the state agency. A client error is a type of overpayment or underissuance resulting from inaccurate reporting on the part of the household. *Id.* at 5. An overpayment may involve more than one overpayment type. If an agency error and client error occur in the same OP period, process as an agency error. *Id.* at 3. Agency

and client errors are not pursued if the OP amount is equal to or less than \$250 per program. *Id.* at 5.

The Department determined that Petitioner was overpaid FAP benefits from February 1, 2025, to July 31, 2025, in the amount of [REDACTED] due to failing to report when Petitioner's household exceeded the SR limit.

On June 12, 2024, Petitioner submitted a Renew Benefits form for FAP benefits for Petitioner's household. Petitioner did not report any additional household members and reported Petitioner's employment with [REDACTED]. On July 8, 2024, an interview was completed with Petitioner. Petitioner reported Petitioner was not married. Petitioner did not report any additional household members and reported Petitioner's employment with [REDACTED]. The rights and responsibilities were reviewed with Respondent. On July 8, 2024, a Notice of Case Action was issued to Petitioner, approving FAP benefits for a household size of 1. The Notice indicated Petitioner was a simplified reporter and was only required to report the following: lottery or gambling winnings of \$4,250.00 or more, when household gross monthly income exceeded \$1,580.00, and if she was subject to TANF to report when hours of employment drop below 80 hours a month. A change in income over the SR limit was to be reported by the 10th day of the following month. On July 8, 2024, a Simplified Six Month Review was issued explaining the simplified reporting process, including that changes in household members would be asked about during the six month review.

Marriage Records show that Petitioner married [REDACTED] on July 20, 2024. This was after the July 8, 2024, eligibility determination was made. Based on the above cited policies, Petitioner was not required to report Petitioner's marriage and any addition of a household member within 10 days. As a simplified reporter, any changes with household members would be reported at the next six-month review. Therefore, Petitioner was required to report the change in Petitioner's household members on the December 4, 2024, six-month review.

On December 4, 2024, Petitioner submitted a Renew Benefits form for FAP benefits for Petitioner's household. Petitioner did not report any additional household members and reported Petitioner's employment with [REDACTED]. On January 22, 2025, a Notice of Case Action was issued to Petitioner approving FAP benefits for a household size of 1. The Notice did not indicate Petitioner was a simplified reporter. Petitioner was advised of the general requirement to report changes within 10 days, such as changes with the number of persons in the home.

On March 23, 2025, Petitioner submitted a Report Changes form and reported an additional household member as of August 1, 2024, Petitioner's husband [REDACTED]. Petitioner testified that during phone contact with the Department, they were able to view the employment income verification for both Petitioner and Petitioner's husband on the computer. However, OEA Slayton testified that there is no record that the Department received employment income verification for Petitioner's and Petitioner's husband during phone contact with Petitioner.

On April 22, 2025, a Notice of Case Action was issued to Petitioner approving FAP benefits for a household of 2. The Notice did not indicate Petitioner was a simplified reporter. Petitioner was advised of the general requirement to report changes within 10 days, such as changes with the number of persons in the home.

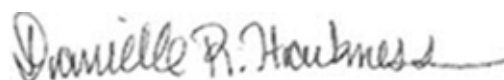
Overall, the evidence supports that the October 10, 2025, overpayment determination was in accordance with Department policies. Petitioner did not report Petitioner's marriage or any additional household member on the December 4, 2024, Renew Benefits form. Accordingly, a client error overpayment period begins on February 1, 2025, when the Department would have acted on a change with household composition that should have been reported on the December 4, 2024, Renew Benefits form.

While Petitioner's testimony indicated that Petitioner's husband's employment was discussed during a telephone contact in March 2025 and the Department was able to verify his income at that time over the computer, there was no evidence to support Petitioner's testimony. Therefore, the Department properly determined that the overpayment is due to a client error.

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 has satisfied its burden of showing that it acted in accordance with Department policy when it determined that Petitioner received an overpayment of FAP benefits from February 1, 2025, to July 31, 2025, in the amount of \$2,294.00.

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



DANIELLE R. HARKNESS
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, **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:

Agency Representative

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

Respondent

GENESEE COUNTY DHHS CLIO RD DIST
4809 CLIO RD
FLINT, MI 48502
**MDHHS-GENESEE-CLIO-
HEARINGS@MICHIGAN.GOV**

Via First Class Mail:

Petitioner

