
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 March 17, 2026. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Kimberly Williams, Overpayment Establishment Analyst. Department Exhibit 1, pp. 1-88 and Exhibit 2, pp. 1-4 were received and admitted.

ISSUE

Did the Department properly determine that Petitioner's received an overissuance of Food Assistance Program (FAP) benefits due to agency error?

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 Petitioner's September REDACTED, 2024, assistance application Petitioner did not list Tyler Wonsey as a member of her household. (Ex. 1, pp. 44-50)
2. On October REDACTED, 2024, an interview guide was completed with Petitioner that interview guide states that REDACTED REDACTED resides with Petitioner but purchases and prepares food separately. Petitioner testified at hearing that she did not tell the department worker that REDACTED REDACTED was residing with her.
3. On October REDACTED, 2024, a Notice of Case Action was sent to Petitioner informing her that she was eligible for \$REDACTED per month in FAP benefits for a group size of 2.
4. On October REDACTED, 2024, Petitioner gave birth to a child REDACTED REDACTED. REDACTED REDACTED is the father of the child.
5. On October REDACTED, 2024, Petitioner reported the birth of REDACTED REDACTED to the Department and she was added to the FAP group. (Ex. 1, pp. 65-66) REDACTED REDACTED was also added to the FAP group because he had previously been included in the household but not in the FAP group because he was purchasing and preparing food separately. Tyler Wonsey's income was not added to the FAP budget.
6. Petitioner testified that REDACTED REDACTED did not reside with her until September 2025.

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7. REDACTED REDACTED was paying rent and was listed on the lease where Petitioner was residing. The rent was paid in lieu of child support. No child support order was in place. Petitioner testified at hearing that REDACTED REDACTED was not residing with her.
 8. On October REDACTED, 2024, a Notice of Case Action was sent to Petitioner informing her that she was eligible for \$REDACTED per month in food assistance effective December 1, 2024, for a household size of 4 which included REDACTED REDACTED. (Ex. 1, pp. 72-76)
 9. On February REDACTED 2025, Petitioner submitted redetermination paperwork. REDACTED REDACTED was listed on the redetermination paperwork as being in the household and having no income.
 10. On August REDACTED, 2025, Petitioner submitted redetermination paperwork that included REDACTED REDACTED in the FAP group and no income for him.
 11. On September 5, 2025, an overissuance referral was made after it was discovered that REDACTED REDACTED income was not budgeted.
 12. On September 5, 2025, in her redetermination interview Petitioner reported that REDACTED REDACTED was residing with her and had employment income. Petitioner testified that REDACTED REDACTED did not begin residing with her until September 2025.
 13. On September REDACTED, 2025, a Notice of Case Action was sent to Petitioner informing her that she was eligible for \$REDACTED per month for a household of 4 in FAP benefits from October 1, 2025, and ongoing. REDACTED REDACTED income was included in this budget.
 14. On February REDACTED, 2026, a Notice of Overissuance was sent to Petitioner alleging that she received an overissuance of FAP benefits totaling \$REDACTED from December 1, 2024, through September 30, 2025, due to agency error.
 15. On February 9, 2026, Petitioner requested a hearing disputing the determination of overissuance.

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.

All Programs

If a household receives benefits, and the department makes an error, the adult(s) in the household must repay the extra benefits they are not eligible for. The benefits must be repaid even if there was no fraud. BAM 705

OVERPAYMENT AMOUNT FIP, SDA, RCA, CDC and FAP

The amount of benefits issued to the client, household, or provider in excess of what the recipient(s) was/were eligible to receive. BAM 705

In this case, the Department's position is that REDACTED REDACTED was in Petitioner's household at time of application in September 2024 based on what was told to the Department worker at the interview. After REDACTED REDACTED was born, REDACTED REDACTED was added to the FAP group as a mandatory group member, but his income was not added to the FAP budget in error and that resulted in an overissuance totaling \$9,750.

Petitioner's position is that REDACTED REDACTED was not residing with her until September 2025 and he and his income should not have been included in her FAP group until then and therefore there was no overissuance due to Mr. REDACTED income not being included.

Petitioner's testimony that REDACTED REDACTED was not living with her until September 2025 is found to be credible. She did not list him on her September 30, 2024, application and she credibly testified at hearing that REDACTED REDACTED was not residing with her until September 2025.

However, Petitioner did receive an overissuance of FAP benefits because Mr. REDACTED was included in the FAP group from December 2024 through August 2025 with no income, so that resulted in Petitioner receiving more FAP benefit than she was entitled to because the group size was bigger than it should have been. In addition, Mr. REDACTED was paying Petitioner's rent in lieu of child support and those payments should have been counted as income for Petitioner and included in her FAP budget and they were not.

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 did not act in accordance with Department policy when it calculated Petitioner's FAP overissuance.

Accordingly, the Department's decision is **AFFIRMED IN PART** with respect to the determination of overissuance due to agency error and **REVERSED IN PART** with respect to the amount of the overissuance.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Recalculate the FAP overissuance amount after removing REDACTED REDACTED from the FAP group from December 2024 through August 2025 and adding the rental payments REDACTED REDACTED paid in lieu of child support as income for Petitioner.
2. After the overissuance is recalculated, issue a new Notice of Overissuance to Petitioner.



AARON MCCLINTIC
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

26-005757

- 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.
