
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. After due notice, a telephone hearing was held on March 17, 2026. Petitioner represented herself. The Department was represented by Kathleen Zewatsky.

ISSUE

Did the Department of Health and Human Services (Department) properly determined that Petitioner receive an overpayment of Food Assistance Program (FAP) benefits?

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 September REDACTED, 2021, the Department notified Petitioner that she was eligible for Food Assistance Program (FAP) benefits as a household of three and that she was required to report if her gross monthly income were to exceed the simplified reporter limit of \$2,379.
2. Petitioner started employment on March 8, 2022, and began receiving gross earned income from employment exceeding \$2,379.
3. Petitioner received Food Assistance Program (FAP) benefits totaling \$REDACTED in July and September of 2022.
4. On February 17, 2026, the Department notified Petitioner that she had received a \$REDACTED overpayment of Food Assistance Program (FAP) benefits.
5. On February 25, 2026, the Department received Petitioner's request for a hearing protesting the collection of an overpayment of Food Assistance Program (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 Food Assistance Program (FAP) is funded under the federal Supplemental Nutrition Assistance Program (SNAP) established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 through 7 USC 2036a. It is implemented by the federal regulations contained in 7 CFR 273. The Department administers FAP pursuant to MCL 400.10 of the Social Welfare Act, MCL 400.1 *et seq*, and Mich Admin Code, R 400.3001 through 400.3011.

When a client group receives more benefits than it is entitled to receive, the Department must attempt to recoup the overissuance. Department of Human Services Bridges Administrative Manual (BAM) 700 (June 1, 2024), p 1. A recipient claim is an amount owed because of benefits that are overpaid, and the Department must establish and collect any claim. 7 CFR 273.18(a).

Simplified reporting groups are required to report only when the group's actual gross monthly income (not converted) exceeds the SR income limit for their group size. No other change reporting is required. If the group has an increase in income, the group must determine their total gross income at the end of that month. If the total gross income exceeds the group's simplified reporter income limit, the group must report this change to their specialist by the 10th day of the following month, or the next business day if the 10th day falls on a weekend or holiday. Once assigned to simplified reporting, the group remains in simplified reporting throughout the current benefit period unless they report changes at their semi-annual contact or redetermination that make them ineligible for simplified reporting. The income limit is 130 percent of the poverty level based on group size. Department of Health and Human Services Bridges Administrative Manual (BAM) 200 (June 1, 2025), pp 1-6.

Petitioner was an ongoing recipient of FAP benefits and the Department determined that as a simplified reporter she had a duty to report if her household income exceeded \$2,379 per month. The hearing record supports a finding that Petitioner started new employment and that her gross household income exceeded that amount.

However, the hearing record also indicates that the amount of the overpayment of FAP benefits was determined as a household of four while she had received FAP benefits in 2022 as a household of three.

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 failed to

satisfy its burden of showing that it acted in accordance with Department policy when it determined the amount of the overpayment of Food Assistance Program (FAP) benefits.

DECISION AND ORDER

Accordingly, the Department's decision is REVERSED.

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:

Accordingly, the Department's decision is hereby **REVERSED**, and the Department is ORDERED to redetermine the alleged overpayment of Food Assistance Program (FAP) benefits.



KEVIN SCULLY
ADMINISTRATIVE LAW JUDGE
Michigan Office of Administrative
Hearings and Rules (MOAHR)

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

26-005761

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.
