

ISSUE

Did the Department properly determine that Petitioner received Food Assistance Program (FAP) benefits that she 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 December 1, 2024 to September 30, 2025, Petitioner received FAP benefits totaling \$6,985.00. (Exhibit A, pp. 37-39)
2. On August 19, 2024, Petitioner submitted a Renew Benefits for FAP benefits for his household. Changes with income were reported, adding Retirement Survivors and Disability Insurance (RSDI) income and removing unemployment compensation benefit (UCB) income. The reported household income was employment with **REDACTED**, two Supplemental Security Income (SSI) benefit incomes, and one RSDI income. (Exhibit A, pp. 7-10)
3. On October 11, 2024, Petitioner submitted a change report stating household member **REDACTED REDACTED** (ML) was no longer doing the home **REDACTED** job with **REDACTED & REDACTED** and requested that this be removed. (Exhibit A, pp. 36 and 67-68)
4. On **REDACTED**, 2024, Petitioner submitted an Assistance Application for State Emergency Relief (SER) benefits for the household. The reported household income was ML's employment income from **REDACTED**, SSI benefit income for Petitioner and household member **REDACTED** (KR), and RSDI income for KR. (Exhibit A, pp. 69-76)
5. On October 15, 2024, a Notice of Case Action was issued to Petitioner approving FAP benefits for the household of five as of November 1, 2024. A budget summary was included showing earned income of **\$REDACTED** and unearned income of **\$REDACTED** was included in the FAP budget. (Exhibit A, pp. 13-19)
6. On December 7, 2024, a Notice of Case Action was issued to Petitioner approving FAP benefits for the household of five as of January 1, 2025. A budget summary was included showing earned income of **\$REDACTED** and unearned income of **\$REDACTED** was included in the FAP budget. (Exhibit A, pp. 20-27)
7. On December 20, 2024, a Notice of Case Action was issued to Petitioner approving FAP benefits for the household of five as of February 1, 2025. A budget summary was included showing earned income of **\$REDACTED** and unearned income of **REDACTED** was included in the FAP budget. (Exhibit A, pp. 28-35)

8. On February 11, 2025, Petitioner submitted a Renew Benefits for FAP benefits for his household. The reported household income was from household member ML's employment with **REDACTED**, and SSI benefit income for Petitioner and KR. (Exhibit A, pp. 11-12)
9. A wage Match showed that ML had earnings from employment with both **REDACTED REDACTED** and **REDACTED** during the fraud period. (Exhibit A, p. 66)
10. A report from The Work Number documents that ML had earnings from employment with **REDACTED** from June 29, 2024 through November 14, 2025. (Exhibit A, pp. 61-63)
11. An Earnings Request documents that ML had earnings from employment with **REDACTED** from June 17, 2024 through September 15, 2025. (Exhibit A, pp. 64-65)
12. The Department determined that Petitioner was overissued FAP benefits from December 1, 2024 to September 30, 2025, in the amount of \$6,615.00, due to agency error of failing to clarify after it was reported that ML was no longer employed at **REDACTED**. (Exhibit A, pp. 36 and 39-59)
13. On December 18, 2025, the Department sent Petitioner a Notice of Overissuance instructing him that a \$6,615.00 overissuance of FAP benefits occurred from December 1, 2024 to September 30, 2025, due to agency error regarding employment income for ML, and the overissuance would be recouped. (Exhibit A, pp. 77-82)
14. On February 17, 2026, the Department received Petitioner's request for hearing protesting the recoupment of FAP benefits. (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.

Department policy requires clients to completely and truthfully answer all questions on forms and in interview. BAM 105 (March 1, 2024) p. 7.

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 pended 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. BAM 220, p. 13.

The Department is to request verification when information regarding an eligibility factor is unclear, inconsistent, incomplete or contradictory. The questionable information might be from the client or a third party. BAM 130 (May 1, 2024) p. 1.

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. BAM 700, p. 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. BAM 700, p. 3. Agency and client errors are not pursued if the OP amount is equal to or less than \$250 per program. BAM 700 p. 5.

The Department determined that Petitioner was overissued FAP benefits from December 1, 2024 to September 30, 2025, in the amount of \$6,615.00, due to agency error of failing to clarify after it was reported that ML was no longer employed at **REDACTED REDACTED**. (Exhibit A, pp. 36 and 39-59).

On **REDACTED**, 2024, Petitioner submitted a change report stating household member **REDACTED** (ML) was no longer doing the home **REDACTED** and requested that this be removed. (Exhibit A, pp. 36 and 67-68). On **REDACTED**, 2024, Petitioner submitted an Assistance Application for State Emergency Relief (SER) benefits for the household. The reported household income was ML's employment income from **REDACTED**, SSI benefit income for Petitioner and household member **REDACTED REDACTED** (KR), and RSDI income for KR. (Exhibit A, pp. 69-76). The Department acknowledged that it failed to seek clarification or verify the end of this employment.

A wage Match showed that ML had earnings from employment with both **REDACTED REDACTED** and **REDACTED** during the fraud period. (Exhibit A, p. 66). A report from The Work Number documents that ML had earnings from employment with **REDACTED & REDACTED** from June 29, 2024 through November 14, 2025. (Exhibit A, pp. 61-63). An earnings Request documents that ML had earnings from employment with **REDACTED** Home **REDACTED** from June 17, 2024 through September 15, 2025. (Exhibit A, pp. 64-65).

The verified employment income was utilized to re-determine eligibility for FAP benefits. The Department determined that Petitioner was overissued FAP benefits from December 1, 2024 to September 30, 2025, in the amount of \$6,615.00, due to agency error of failing to clarify after it was reported that ML was no longer employed at **REDACTED**. (Exhibit A, pp. 36 and 39-59). On December 18, 2025, the Department sent Petitioner a Notice of

Overissuance instructing him that a \$6,615.00 overissuance of FAP benefits occurred from December 1, 2024 to September 30, 2025, due to agency error regarding employment income for ML, and the overissuance would be recouped. (Exhibit A, pp. 77-82).

Petitioner's AHR testified that Petitioner reported changes that occurred at that time. Petitioner cannot afford to repay the overpayment of FAP benefits. (AHR Testimony). However, as noted above, on October 11, 2024, Petitioner reported household member ML was no longer doing the **REDACTED** job with **REDACTED** and requested that this be removed. (Exhibit A, pp. 36 and 67-76). A report from The Work Number documents that ML had earnings from employment with **REDACTED** from June 29, 2024 through November 14, 2025. This included earnings on pay dates October 4, 2024, October 18, 2024, November 1, 2024, and ongoing through November 14, 2025. (Exhibit A, pp. 61-63). Further, this Administrative Law Judge must review the Department's determination under the existing polices and has no authority to make any exceptions. The policy does require the Department to pursue recoupment when a FAP group receives more benefits than it is entitled to receive.

Overall, the evidence supports the Department's determination that Petitioner was overissued FAP benefits from December 1, 2024 to September 30, 2025, in the amount of \$6,615.00, due to agency error of failing to clarify after it was reported that ML was no longer employed at **REDACTED**. Therefore, the Department properly sought recoupment of the alleged \$6,615.00 agency error overpayment of FAP benefits from Petitioner.

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 that Petitioner received FAP benefits that she was not eligible for and must be recouped.

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