

**BEFORE THE ALASKA OFFICE OF ADMINISTRATIVE HEARINGS ON REFERRAL  
FROM THE COMMISSIONER OF HEALTH AND SOCIAL SERVICES**

In the Matter of )  
 )  
K X ) OAH No. 18-0200-MDE  
 ) Agency No.  
\_\_\_\_\_ )

**DECISION**

**I. Introduction**

K X applied for Medicaid. His application stated that he was self-employed. The Division of Public Assistance (Division) sent Mr. X a notice requesting a copy of his 2016 tax return. The notice requested that the tax return be provided by January 12, 2018. When the Division did not receive the tax return, or any communication requesting an extension of time, by January 12, the Division denied Mr. X's application. The denial notification noted that, if the Division received the tax return within 30 days of the application it would be considered with that application, otherwise Mr. X would have to submit a new application. Mr. X requested a fair hearing, noting that he did not receive the notification requesting the tax return and was not aware of any deadline to provide the return until he was notified of the denial of his application.

The Division properly requested the information concerning Mr. X's income. The Division sent the notice requesting his tax return to Mr. X at his listed address, even if Mr. X did not receive it. Therefore, the Division was correct to deny his application. The Division's decision is affirmed. As noted in the notice, however, Mr. X may submit a new application and the Division will consider his eligibility.

**II. Facts**

The facts of this case are not in dispute. Mr. X is over 65 years old and therefore eligible if he meets other requirements for Medicaid. Mr. X submitted an application for Medicaid dated December 15, 2017. In the application he listed himself as self-employed.<sup>1</sup> On January 2, 2018, the Division sent a notice to Mr. X at mailing address listed on his application. The Notice requested that Mr. X provide a copy of his 2016 income tax return by January 12, 2018.<sup>2</sup> The Division did not receive the information by January 12, and on January 16, 2018, the Division sent Mr. X a notice that his application had been denied. That notice, like the first notice, provided that his application would be considered if the tax return was received within 30 days

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<sup>1</sup> Exhibit 2.

<sup>2</sup> Exhibit 3.

of his original application; otherwise, he would have to submit a new application.<sup>3</sup> Mr. X appealed the Division's denial, requesting a Fair Hearing.<sup>4</sup>

A hearing was held in this matter on March 19, 2018. Mr. X appeared by telephone representing himself. Ms. V also appeared to aid Mr. X. Ms. Dial appeared representing the Division. At the hearing, Mr. X explained that he never received the notice requesting that he provide the tax return by January 12. He testified that someone called him around Christmas time and asked him to provide the tax return. He also said that, at some point, after January 12, someone e-mailed him the notice. Mr. X also testified that he attempted to contact his tax preparer, who was unavailable. He was ultimately able to get a copy of his tax return and has since provided it to the Division.<sup>5</sup>

Ms. Dial testified that she confirmed that the notice was sent to the address listed on Mr. X's application. As a matter of Division practice it would have gone out on the date indicated. She also noted that the Division would not have e-mailed the notice to Mr. X as that would be against Division policy.<sup>6</sup>

Mr. X lives in Town A and receives his mail at an address in Town B. Mr. X explained that someone at that address gets the mail and distributes it in boxes labeled with the names of those who use the address for mail.<sup>7</sup> While it is unclear exactly why Mr. X did not receive the notice when mailed, it is possible that it was mislaid at his mailing address and later forwarded to him by someone at that address as that is the most likely explanation consistent with his having received the notice at some point by e-mail.

### **III. Discussion**

The issue in this case is whether the Division was correct to deny Mr. X's application for Medicaid when it did not receive Mr. X's tax return by the date requested.

The Medicaid program provides the Division with the authority to request information regarding an applicant's eligibility for benefits, and income is an eligibility requirement.<sup>8</sup> If the Division determines that it requires further documentation to determine eligibility it must send a notice requesting further documentation. The notice must give the person at least 10 days to

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<sup>3</sup> Exhibit 4.

<sup>4</sup> Exhibit 5.

<sup>5</sup> Testimony of Mr. X.

<sup>6</sup> Testimony of Ms. Dial.

<sup>7</sup> Testimony of Mr. X.

<sup>8</sup> 7 AAC 100.016(a) and 7 AAC 100.102(c)(2).

provide the requested information.<sup>9</sup> If a person does not provide the Division with the information necessary to calculate eligibility it may deny benefits.<sup>10</sup>

The Division met its notification requirement by sending the notification on January 2, 2018, requesting further documentation by January 12, 2018.<sup>11</sup> It is true that Mr. X did not receive the notification sent by the Division. He appears to have received a copy of it from some other source. Therefore, neither party is at fault in this matter. The Division met its regulatory requirements and had no way of knowing that Mr. X had not received the notification until after the Division denied his application. Nor was Mr. X at fault, since he apparently did not receive the mailed notice and was therefore unable to notify the Division in any timely manner that he needed more time to obtain a copy of his tax return.

As the notice says, however, Mr. X's failure to get his tax return to the Division before it notified him of the denial of his original application does not stop him from simply submitting a new application. Since the Division now has his tax return, they should be able to determine his eligibility on any new application.

#### **IV. Conclusion**

The Division was within its rights when it denied Mr. X's application for Medicaid based on a failure to provide necessary income information. The Division met its regulatory notice responsibility by sending the required notice to Mr. X's listed mailing address and giving him ten days to respond. Therefore, the Division's decision is affirmed. Mr. X, however, may submit a new application.

DATED: March 27<sup>th</sup>, 2018.

*Signed*

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Karen L. Loeffler

Administrative Law Judge

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<sup>9</sup> 7 AAC 100.022(a).

<sup>10</sup> 7 AAC 100.016(b).

<sup>11</sup> Exhibit 3, Testimony of Ms. Dial (that notice was sent to correct address).

## Adoption

The undersigned, by delegation from the Commissioner of Health and Social Services adopts this Decision, under the authority of AS 44.64.060(e)(1), as the final administrative determination in this matter.

Judicial review of this decision may be obtained by filing an appeal in the Alaska Superior Court in accordance with Alaska R. App. P. 602(a)(2) within 30 days after the date of this decision.

DATED this 10<sup>th</sup> day of April, 2018.

By: Signed  
Name: Karen L. Loeffler  
Title: Administrative Law Judge

[This document has been modified to conform to the technical standards for publication. Names may have been changed to protect privacy.]