

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

In the Matter of	)	
	)	OAH No. 13-0045-APA
Q C	)	Division No.
_____	)	

**DECISION**

**I. Introduction**

Q C was receiving Adult Public Assistance (APA) benefits. The Division of Public Assistance (Division) notified her that her monthly benefit amount would decrease to \$299 beginning in January 2013. Ms. C requested a hearing.

Ms. C’s hearing was held on March 4, 2013. Ms. C represented herself and testified on her own behalf. Public Assistance Analyst Jeff Miller represented the Division.

The reduction in Ms. C’s monthly APA benefit occurred because her monthly Social Security payment increased. Because the Social Security payment increased, the Division was required to recalculate and decrease her monthly APA benefit amount. The Division’s action reducing Ms. C’s monthly APA benefit amount is affirmed.

**II. Facts**

Ms. C has a one person household.<sup>1</sup> Her income consists of Social Security Administration (SSA) payments and APA payments. In December 2012, her monthly APA payment was \$300. Her monthly SSA payment, which had been \$780, was increased to \$793 beginning in December 2012.<sup>2</sup> The Division recalculated her APA payment based upon her \$793 SSA payment, provided her with a deduction of \$20, which reduced her countable income to \$773, and subtracted that amount from the APA payment standard of \$1,072. The result was \$299.<sup>3</sup> The Division then reduced Ms. C’s APA payment to \$299 beginning in January 2013.<sup>4</sup>

Ms. C has transportation and medical costs that were not taken into account when her APA payment was determined.<sup>5</sup>

---

<sup>1</sup> Ex. 1.  
<sup>2</sup> Exs. 2.2, 2.4.  
<sup>3</sup> Ex. 2.3.  
<sup>4</sup> Exs. 2.4 – 2.5.  
<sup>5</sup> Ms. C testimony.

### III. Discussion

The APA program provides cash payments to financially eligible persons who are over 65, blind, or disabled.<sup>6</sup> The payment amount is calculated based upon a recipient's income.<sup>7</sup> The APA program counts SSA payments as unearned income, and a recipient is entitled to a deduction of \$20 from the SSA income amount when determining the recipient's countable income.<sup>8</sup> The applicable regulation, 7 AAC 40.320, does not allow deductions for items such as housing, transportation, or medical costs. A recipient's countable income is subtracted from the applicable APA payment standard to arrive at the recipient's monthly APA payment.<sup>9</sup>

The Division followed the calculation process exactly. It took Ms. C's \$793 in SSA income, deducted \$20 from it to arrive at her countable income of \$773. \$1,072 is the 2013 APA payment standard for a person living on his or her own.<sup>10</sup> Subtracting Ms. C's countable income of \$773 from the \$1,072 APA payment standard resulted in an APA payment of \$299.

Ms. C's disagreement with the reduction in her APA payment does not lie with the Division's application of its regulations. It lies at a much deeper level. Ms. C argued that the calculation of her APA payment was not reflective of economic reality and the purpose for APA benefits, pointing out that the APA payment standard of \$1,072 is less than the APA need standard of \$1,319 and the 2012 federal poverty guidelines for Alaska, which was \$1,165 per month (\$13,970 yearly) for a one person household.<sup>11</sup> The Division, however, is required to follow its own regulations.<sup>12</sup> The Division was required, by its regulations, to reduce Ms. C's monthly APA payment to \$299 because her monthly SSA payment increased.

---

<sup>6</sup> AS 47.25.430; 7 AAC 40.120.

<sup>7</sup> 7 AAC 40.370(b).

<sup>8</sup> 7 AAC 40.300(a)(3); 7 AAC 40.320(a)(23); 7 AAC 40.350.

<sup>9</sup> 7 AAC 40.370(b).

<sup>10</sup> 7 AAC 40.370(c)(1), (3); *Alaska Adult Public Assistance Manual Addendum 1* (Ex. 2.1).

<sup>11</sup> *See* Exs. 2.1, F.

<sup>12</sup> "Administrative agencies are bound by their regulations just as the public is bound by them." *Burke v. Houston NANA, L.L.C.*, 222 P.3d 851, 868 – 869 (Alaska 2010).

#### IV. Conclusion

The Division's reduction in Ms. C's monthly APA payment is affirmed.

DATED this 8<sup>th</sup> day of April, 2013.

*Signed* \_\_\_\_\_

Lawrence A. Pederson  
Administrative Law Judge

#### 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 23<sup>rd</sup> day of April, 2013.

By: *Signed* \_\_\_\_\_

Name: Lawrence A. Pederson

Title/Agency: Admin. Law Judge, DOA/OAH

[This document has been modified to conform to the technical standards for publication.]