

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

In the Matter of)	
)	
X T)	OAH No. 17-0496-APA
_____)	Agency No.

DECISION

I. Introduction

X T applied for Adult Public Assistance. The Division of Public Assistance denied his application because his monthly income was above the eligibility limit for Adult Public Assistance. Mr. T appealed the denial, and requested a fair hearing. At his fair hearing, the Division showed that Mr. T receives monthly Social Security Disability from the Social Security Administration. It also showed that after taking the standard deduction, the amount of his monthly income is still slightly above the eligibility limit. Therefore, Mr. T is ineligible for Adult Public Assistance and the Division’s denial of this application is affirmed.

II. Facts

X T is a resident of Town A.¹ Mr. T receives Social Security Disability (SSDI) from the Social Security Agency. The amount of his SSD is \$1,402 per month.²

During the early winter of 2017, Mr. T was experiencing some health problems.³ He had eye surgery in Anchorage in February. A short time later he ended up in the hospital after a bad fall. During this time, Mr. T learned that he was no longer eligible for Medicaid.⁴ He assumed that this had to be a mistake.

On March 13, 2017, Mr. T applied for Adult Public Assistance. The Division denied Mr. T’s application for Medicaid because his monthly income was \$1,382.⁵ That put him \$16 over the allowable income limit of \$1,366 to be eligible for Adult Public Assistance.⁶ The Division did approve Mr. T for the Specified Low Income Medicare Beneficiaries program. This program covers Mr. T’s Medicare premium, but does not provide Medicaid coverage.⁷

¹ T testimony.
² Division Exhibit 2.1.
³ T testimony.
⁴ T testimony. Mr. T testified that his Medicaid card expired on January 31, 2017.
⁵ Division Exhibit 6; *see also* 7 AAC 47.40.310(a)(1).
⁶ Division Exhibit 3.
⁷ Miller letter, May 24, 2017; Ex. 22 – 22.4.

Mr. T requested a fair hearing to contest the Medicaid denial. He argued that “[i]ncome is wrong to determine eligibility.”⁸ Two fair hearing sessions were held, on May 25, 2017, and continuing on May 31, 2017. The continuation allowed Mr. T to receive the assistance of K J, an employee of the No Name Clinic who helped Mr. T with the paperwork involved in this application.

III. Discussion

The Adult Public Assistance program provides a monthly benefit to an eligible “aged, blind, or disabled needy resident.”⁹ The income limits for eligibility are established in regulation.¹⁰ A person who exceeds the income eligibility levels is not eligible for assistance.¹¹

Consistent with the regulations that govern the program, the Adult Public Assistance manual explains that, in general, both earned and unearned income will be counted when determining a person’s eligibility for benefits. It explicitly explains that payments received from Social Security are counted as income.¹² In a previous Adult Public Assistance Case, *In re DK*, the Commissioner addressed the same issue that has been raised here.¹³ *In re DK* held that SSDI payments “are considered countable unearned income for APA financial eligibility purposes.”¹⁴

The Division proved that Mr. T receives \$1402 in SSDI monthly income.¹⁵ The Division showed that the only applicable deduction is the \$20 standard deduction and that his income was therefore over the eligibility limit for the Adult Public Assistance.¹⁶

At the hearing, Mr. T acknowledged that the gross amount of this SSDI income (less the \$20 deductible) should be included in determining his eligibility. He explained that his original appeal was based on the understanding that his eligibility should be based on a net income, not his gross income, calculation. He has since learned that was not the case and acknowledged that the Division’s calculation of his income was correct. Even with Mr. J’s assistance, Mr. T did not contest the finding that he was technically ineligible under the law.

Mr. T explained that he would prefer to reduce his SSDI by \$16 or to put money in a trust so that he would be eligible for Medicaid. If he is able to pursue any of these options, he may reapply. This decision, however, must be based on the current facts. Under these facts, Mr. T is

⁸ Division Exhibit 4.1.

⁹ AS 47.25.430.

¹⁰ 7 AAC 40.090(8); 7 AAC 40.300.

¹¹ *In re DK*, OAH No. 13-1262-CMB at 2 (Dep’t of Health and Soc. Servs. 2013).

¹² Division Exhibit 7.

¹³ *In re F.L.N.*, OAH No. 13-1180-CMB at 3 (Dep’t of Health and Soc. Servs. 2013).

¹⁴ *Id.*

¹⁵ Division Exhibit 2.1; Miller testimony.

¹⁶ 7 AAC 40.320(a).

not eligible for Adult Public Assistance because his income exceeds the income eligibility limit. The Division's decision is affirmed.

IV. Conclusion

The Division correctly computed Mr. T's income, and correctly determined that his income put him over the eligibility limit for Adult Public Assistance. Therefore, the Division's decision denying his application for Adult Public Assistance is affirmed.

DATED this 6th of June, 2017.

By: Signed
Bride Seifert
Administrative Law Judge

Adoption

Under a delegation from the Commissioner of Health and Social Services and under the authority of AS 44.64.060(e)(1), I adopt this decision 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 23rd day of June, 2017.

By: Signed
Bride Seifert
Administrative Law Judge

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