

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

In the Matter of)
)
T T) OAH No. 18-0358-APA
) Agency No.

DECISION

I. Introduction

The Division of Public Assistance initially miscalculated T T’s monthly Adult Public Assistance benefits. Upon identifying the error, the Division reduced the amount of Ms. T’s monthly APA benefits. Ms. T appealed the reduction. This decision concludes that the Division correctly recalculated Ms. T’s APA benefit amount at \$362 per month.

II. Facts

T T receives Adult Public Assistance (“APA”) benefits. Her only other income is federal Social Security (SSI) benefits, which were \$490 per month in 2017, and which are now \$500 per month.¹

Prior to the events giving rise to this appeal, Ms. T’s monthly APA benefit amount had been calculated at \$607 per month. At some point, the Division of Public Assistance (the “Division”) determined that Ms. T’s monthly APA benefit amount had been miscalculated. The Division recalculated Ms. T’s benefits and began paying her the reduced amount of \$362 per month instead of the prior \$607 per month. Unfortunately, however, the Division failed to notify Ms. T that her benefit level was being reduced. Ms. T therefore did not learn of the reduction until receiving a significantly lower monthly benefit of \$362.²

Ms. T went to a Division office to inquire about the reduction in her benefits and the failure to notify her of this change.³ A Division representative explained that the prior, higher benefit amount had been incorrectly calculated.⁴

On March 28, 2018, Ms. T requested a fair hearing to challenge the reduction in benefits.⁵ At Ms. T’s request, her benefit amount was returned to the higher amount during the

¹ T testimony.
² 12/19/17 record attached to referral.
³ 12/19/17 record attached to referral.
⁴ 12/19/17 record attached to referral.
⁵ Ex. 2.

pendency of her appeal. In making that request, Ms. T acknowledged the risk that she might later be asked to repay amounts paid in excess of the correct benefit level.⁶

On April 5, after Ms. T's hearing request, the Division belatedly issued a notice regarding the reduction. The notice reflected that, per Ms. T's request, her APA benefits would be paid at the "incorrect amount" of \$607 until her administrative appeal was resolved.⁷

The telephonic hearing on Ms. T's appeal was held on April 24, 2018. Ms. T represented herself and testified on her own behalf. Sally Dial represented the Division. No other witnesses were called by either party. At the hearing, Ms. T explained that she did not dispute the amount of her SSI income or the Division's classification of her household. Rather, she felt the reduction was unfair because the original overpayment was not her fault, and because the reduced amount leaves her with insufficient resources to afford basic necessities.⁸

III. Discussion

In determining the amount of Adult Public Assistance benefits to be provided to an eligible individual, the Division considers an individual's household composition, living arrangements, and individual or household income.⁹ Different "payment standards" are established for individuals and couples, and depending on whether the individual or couple lives independently, in another's household, or independently.¹⁰

Ms. T recalls that, when she applied for APA, she was told that her monthly benefit amount would be determined by subtracting her monthly Social Security payment from the Division's "maximum payment standard" for APA benefits.¹¹ Calculated this way, her APA benefits would "make up the difference" between the maximum payment standard and her actual income.¹²

Whether Ms. T was given incorrect information, or whether her recollection is mistaken, the method she describes is not how the Division calculates APA benefits.¹³ For APA recipients not receiving SSI benefits, the Division calculates benefit amounts using a maximum "monthly payment standard" based on household size and composition, then subtracting any other

⁶ Ex. 2.

⁷ Ex. 3.

⁸ T testimony.

⁹ 7 AAC 40.310; Ex. 10-11.

¹⁰ 7 AAC 40.370(c) (Ex. 4); Ex. 10, 13.

¹¹ T testimony.

¹² T testimony.

¹³ Division case presentation.

“countable income” from this amount.¹⁴ For APA recipients who, like Ms. T, also receive SSI, the Division calculates benefit amounts by starting with the relevant “monthly payment standard,” and then subtracting the “SSI payment standard” – a designated amount used for all SSI recipients.¹⁵ In other words, the Division does not subtract the specific amount of SSI benefits that a particular recipient receives, but instead calculates a standard amount that is used for any APA recipient who also receives SSI benefits.¹⁶

Ms. T’s benefits are calculated based on her household composition (a household of one) and her receipt of SSI benefits. Ms. T does not dispute the household combination or her receipt of benefits, but instead disputes the underlying method used to calculate benefits in such a situation. While her dissatisfaction is understandable, it is beyond the scope of this administrative appeal, which is limited to determining whether the Division correctly calculated her benefit amount based on the applicable procedures and regulations.

The 2018 maximum payment standard for an individual living independently is \$1,112.¹⁷ The 2018 SSI payment standard for an individual living independently is \$750.¹⁸ Following the procedure set forth in the Division’s regulations and in the Adult Public Assistance manual, Ms. T’s monthly APA benefits are determined based on the difference between these two amounts, rather than the difference between the payment standard and her actual SSI benefit amount. The resulting benefit amount – \$1,112 - \$750 – is \$362.

IV. Conclusion

Because the Division correctly calculated Ms. T’s APA benefit at \$362 per month, its decision is affirmed.

Dated: May 3, 2018.

Signed _____
Cheryl Mandala
Administrative Law Judge

¹⁴ See 7 AAC 40.370(c) (Ex. 4); 7 AAC 40.350 (Ex. 5). As Ms. T observed at the hearing, the APA program regulations set lower monthly payment standards than those used by the Division based on its Adult Public Assistance manual. At the hearing, Ms. Dial explained that the regulation has not been updated in more than ten years, and that the higher payment standard amounts used in the Division manual result in higher benefit levels than would be provided were the Division still applying the amounts set out in the 2004 regulation.

¹⁵ 7 AAC 40.300(e). Ex. 6.1.

¹⁶ Ex. 6.1.

¹⁷ Ex. 8.4.

¹⁸ Ex. 8-8.1.

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 18 day of May, 2018.

By: Signed
Name: Cheryl Mandala
Title: Administrative Law Judge/OAH

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