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

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In the Matter of:

O N

OAH No. 12-0345-ATP Agency No.

DECISION

I. Introduction and Procedural Background

O N requested a hearing to challenge the Division of Public Assistance's (division) determination that her family was not eligible for benefits under the Alaska Temporary Assistance Program (ATAP) because the household's income exceeded the regulatory maximum for a family of four. A hearing was held September 18, 2012. Ms. N and division representative Terri Gagne participated by telephone. The record closed at the hearing's conclusion.

On September 18, 2012, after the hearing, Ms. N submitted a Letter of Status Conference requesting a status conference to discuss the basis for the division's denial. Specifically, she noted that the division used the income guidelines for a three person household, not four. Ms. N's Letter of Status Conference was accepted as a request to reopen the record and an order was issued reopening the record so the division could file a written response. The division filed its response on September 24, 2012.

The unchallenged evidence establishes that the monthly household income is in excess of the maximum need standard allowed for a household of four.

II. Facts

There are no genuine issues of material fact in dispute. Ms. N challenges the application and interpretation of the law to the following undisputed facts:

Ms. N applied for ATAP benefits for her four person household. The only source of income is her husband's unemployment. They own a vehicle but it is not working. Ms. N testified that it could be easily repaired if they had the cash assistance to get the work done. The unchallenged evidence establishes that Mr. N would like to return to work, but the lack of a working vehicle is interfering with his ability to find and hold employment. The monthly gross countable income for the family is \$1,694.20. Under ATAP, the need standard for a household of four is \$1,685.

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III. Discussion

The Alaska Temporary Assistance Program (ATAP) is provided under the federal Temporary Assistance for Needy Families (TANF) block grant. ATAP provides temporary cash assistance and work services to low-income families with children to help them while they get back on their feet.¹

Eligibility is based on financial need.² By regulation, financial need exists if the household resources do not exceed the resource limitation of 7 AAC 45.280, and if one's monthly net income does not exceed either the need standard or the 185% eligibility standard established in 7 AAC 45.520.³

Ms. N's application was denied because the household income exceeded the need standard. It was unclear whether the division compared the Ns' income to a household of three or four. The household size is four. The need standard for a family of this size is \$1,685.⁴ The Ns' countable income is \$1,694. They are not eligible for any deductions that would lower the household income for eligibility purposes,⁵ because the household income exceeds the need standard by \$9.

Ms. N argues that without cash assistance, they will not be able to repair their car, which in turn interferes with her husband's ability to get back to work. Ms. N testified that her husband wants to work but needs transportation. As described by Ms. N, if she received the cash assistance, the program goals would be met because the car could be fixed and her husband would be more likely to return to work sooner. The household is only \$9 over the needs eligibility limit and is well below the 185% standard.⁶ She argued that there should be some method of providing assistance for those who are on the border between eligibility and noneligibility. Clearly, the Ns' financial situation is nearly indistinguishable from that of a person with \$9 less in monthly income. However, the applicable statutes and regulations provide no room for discretion. The Commissioner of Health and Social Services, the division, and the undersigned must apply the regulation as written and must adhere to the bright line between

¹ AS 47.27.005(1).

² 7 AAC 45.275.

³ 7 AAC 45.275(b).

⁴ Alaska Temporary Assistance Manual Addendum 2.

⁵ Unemployment income is considered unearned income. The Temporary Assistance regulations do not allow for any deductions from unearned income *See* 7 AAC 45.475 – 485. Nor do the Temporary Assistance regulations provide an income deduction for shelter costs (rent/mortgage and utilities). 7 AAC 45.525(b)(2); 7 AAC 45.527(a).

eligibility and no eligibility. To provide ATAP assistance to Ms. N would require changes that cannot be made through the hearing process.

IV. Conclusion

Ms. N's household income exceeds the needs eligibility test for a household of four. Therefore, the N household is not eligible for Alaska Temporary Assistance Program funds and their application is denied.

Dated this 3rd day of October, 2012.

<u>Signed</u>

Rebecca L. Pauli Administrative Law Judge

Adoption

The undersigned, by delegation from of 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 17th day of October, 2012.

By:

<u>Signed</u> Name: Rebecca L. Pauli Title: Administrative Law Judge

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