

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

In the Matter of	)	
	)	
U B	)	OAH No. 16-1296-CCA
_____	)	Agency No.

**DECISION**

**I. Introduction**

The Division of Public Assistance (Division) denied U B’s September 6, 2016 application for Child Care Assistance Program (CCAP) benefits, because her household income exceeded the program eligibility limit by \$38. Ms. B appealed and argued that the program should have more leeway to assist individuals who are caring for extended family members.

This decision concludes that the Division correctly determined that Ms. B’s income exceeded the applicable CCAP monthly income limit at the time of her application. Therefore, its decision denying the application is affirmed.

**II. Facts**

Ms. B lives in a household of two: herself and her infant granddaughter, Z. Ms. B began caring for Z in June 2016.<sup>1</sup> Ms. B earns income from two jobs: a full-time position with the State of Alaska, and a part-time position at the No Name.<sup>2</sup> She also receives monthly Alaska Temporary Assistance Program (ATAP) benefits, which are paid on Z’s behalf.<sup>3</sup>

Ms. B applied for CCAP benefits on September 6, 2016.<sup>4</sup> On October 6, 2016, the Division determined that Ms. B’s monthly household income exceeded the program limit.<sup>5</sup> On October 7, 2016, it denied the application.<sup>6</sup>

Ms. B appealed.<sup>7</sup> She does not dispute the income information that the Division relied on to process her application. She argued that her income exceeded the program limit by only \$38, and the program should allow more flexibility to assist a grandmother who is caring for her grandchild.<sup>8</sup> Ms. B observed that Z was an abused child who could have been placed in state custody. In that situation, the state would be financially providing for her daycare, as well as

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<sup>1</sup> Exhibit 3; B testimony.  
<sup>2</sup> Exhibits 2.1, 4, 5.  
<sup>3</sup> Exhibits 2.2, 5.4.  
<sup>4</sup> Exhibit 2.  
<sup>5</sup> Exhibit 5.5.  
<sup>6</sup> Exhibit 6.  
<sup>7</sup> Exhibit 5 – 5.1.  
<sup>8</sup> Exhibit 7; B testimony.

paying for foster placement. At Ms. B's request, Z was not placed in state custody, resulting in significant savings to the state. However, Ms. B indicated that she is struggling financially to meet all of Z's needs, and she requires assistance to pay for childcare.<sup>9</sup>

The hearing took place on December 1, 2016. Ms. B appeared in person, represented herself and testified on her own behalf. Public Assistance Analyst Jeff Miller appeared telephonically and represented the Division. All submitted documents were admitted into the record, and the record closed at the end of the hearing.

### **III. Discussion**

The Child Care Assistance Program is established by statute and implemented pursuant to CCAP regulations.<sup>10</sup> The program is intended to assist in providing day care for the children of low and moderate income families.<sup>11</sup> Qualifying parents or guardians select a participating day care facility for their children, and the program pays benefits to the care provider.<sup>12</sup>

A family's eligibility for CCAP benefits is determined based on (1) the income of the family; (2) the number of children in the family; and (3) whether there is one parent or guardian solely responsible for the care of the family.<sup>13</sup> The Division publishes a Family Income and Contribution Schedule that outlines the maximum monthly income a household may receive and still qualify for CCAP benefits.<sup>14</sup> For a household of two, the gross income limit is \$4,250 per month.<sup>15</sup>

A family's monthly income is determined by totaling the monthly gross earned and unearned income of each parent.<sup>16</sup> Earned income includes wages from employment and self-employment.<sup>17</sup> Unearned income includes ATAP benefits.<sup>18</sup>

When the Division processes a CCAP application, it must estimate the average monthly income that a family receives or is expected to receive during each month for which eligibility is

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<sup>9</sup> B testimony.

<sup>10</sup> See AS 47.25.001 – 47.25.095; 7 AAC 41.010 – 7 AAC 41.990.

<sup>11</sup> AS 47.25.001(a)(1).

<sup>12</sup> AS 47.25.051.

<sup>13</sup> AS 47.25.031. CCAP benefits may be paid to parents or guardians. AS 47.25.051.

<sup>14</sup> The Family Income and Contribution Schedule is adopted into regulation at 7 AAC 41.335. It is in the record at Exhibit 16.

<sup>15</sup> Exhibit 16.

<sup>16</sup> See 7 AAC 41.325.

<sup>17</sup> *Id.*

<sup>18</sup> 7 AAC 41.325(a)(1)(C)(xiv).

being determined.<sup>19</sup> It determines prospective average monthly income by looking at relevant information, including evidence of the applicant's recent monthly income.<sup>20</sup>

At the time she applied for CCAP benefits on September 6, 2016, Ms. B acknowledged that her average gross monthly income from the State of Alaska totaled \$3,398.<sup>21</sup> She submitted her August 2016 paystubs from the State of Alaska, which confirm that figure.<sup>22</sup> Ms. B later submitted copies of her September 2016 bi-weekly paystubs from No Name.<sup>23</sup> Based on her September 16<sup>th</sup> earnings of \$177.65, and her September 30<sup>th</sup> earnings of \$230.14, the Division correctly determined that her average gross monthly income from No Name totaled \$438.39.<sup>24</sup>

The sum of Ms. B's two sources of earned income is \$3,836.39.<sup>25</sup> The Division then added Z's \$452 monthly ATAP benefit to this amount, and it concluded that Ms. B's countable monthly income from all sources totaled \$4,288.<sup>26</sup> This is \$38 more than the \$4,250 CCAP maximum monthly income limit for a two-person family.<sup>27</sup>

The statute is clear that families become eligible for CCAP benefits based on their household income, and limited other considerations.<sup>28</sup> CCAP regulations are also clear that, among other requirements, a family can only become eligible for the program if its monthly income is "at or below the maximum allowed" under the Family Income and Contribution Schedule.<sup>29</sup>

Ms. B did not meet her burden to show that, at the time the Division processed her CCAP application, her prospective average monthly income was at or below the eligibility threshold. She indicated that the Division knew she was adjusting her hours at No Name so that she would become eligible for CCAP benefits. However, the Division's calculations took this adjustment into account. When it assessed her program eligibility on October 6, 2016, the Division relied on

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<sup>19</sup> 7 AAC 41.325(b).

<sup>20</sup> *Id.*

<sup>21</sup> Exhibit 2.1.

<sup>22</sup> Exhibit 4 – 4.1.

<sup>23</sup> Exhibit 5 – 5.2.

<sup>24</sup> Because Ms. B is paid bi-weekly, the Division took the average of her September 16<sup>th</sup> and September 30<sup>th</sup> No Name paychecks, \$203.90, and then multiplied that amount by 2.15, for a monthly average of \$438.39. Exhibit 5.3; CCAP Manual § 310, p. 2 (convert bi-weekly income to a monthly amount by multiplying average income by 2.15). The Division did not factor Ms. B's September 2, 2016 paycheck of \$302.81 in this calculation. *See* Exhibit 5.

<sup>25</sup> Exhibit 4.2, 5.3, 5.5. \$3398 (State of AK) + \$438.39 (No Name) = \$3,836.39.

<sup>26</sup> Exhibit 5.4 – 5.5.

<sup>27</sup> Exhibit 16.

<sup>28</sup> *See* AS 47.25.031.

<sup>29</sup> 7 AAC 41.300(a). *See also* Child Care Assistance Policy & Procedure Manual § 300, p. 1. The Manual can be found online at: [http://dhss.alaska.gov/dpa/Documents/dpa/programs/ccare/files/ccpp\\_manual.pdf](http://dhss.alaska.gov/dpa/Documents/dpa/programs/ccare/files/ccpp_manual.pdf).

her September 16<sup>th</sup> and September 30<sup>th</sup> paychecks to project her expected monthly income from No Name. The Division excluded her September 2<sup>nd</sup> paycheck, most likely because it reflected a time in which she worked additional hours.<sup>30</sup> However, Ms. B had reduced her hours at No Name by the time her September 16<sup>th</sup> and September 30<sup>th</sup> paychecks were issued. The Division appropriately relied on them to calculate her expected monthly income, for purposes of her September 6<sup>th</sup> CCAP application.<sup>31</sup>

#### **IV. Conclusion**

The monthly income limit for CCAP participation is clear. Based on the evidence in the record, the Division correctly determined that Ms. B's average monthly income exceeded the applicable income limit for a household of two. Although Ms. B was only over that limit by \$38, this nonetheless made her ineligible for the program. The Division's decision denying Ms. B's September 6, 2016 CCAP application is affirmed.

DATED: December 6, 2016.

By: Signed  
Kathryn Swiderski  
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 20th day of December, 2016.

By: Signed  
Name: Kathryn Swiderski  
Title: Administrative Law Judge

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

<sup>30</sup> Compare Exhibits 5, 5.1, 5.2.

<sup>31</sup> When Ms. B became aware that her No Name income put her just over the CCAP eligibility limit, she further reduced her hours and re-applied for benefits. The Division approved that application, and she indicated at the hearing that she is presently eligible for CCAP benefits. B testimony.