

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

In the Matter of:)	
)	
K N)	OAH No. 13-0211-SNA
<hr style="width: 100%;"/>)	DPA Case No.

DECISION

I. Introduction

There is only one issue in this case: whether the State of Alaska Division of Public Assistance (DPA or Division) has the right to attempt to collect certain Supplemental Nutrition Assistance Program (SNAP or Food Stamp) benefits which were overpaid to K N due to what she believes was a mistake made by the Division.

The parties agree that Ms. N was paid \$1,482.00 more in SNAP benefits than she should have been paid for the months of October through December of 2012. This decision concludes that, pursuant to the applicable federal regulations, the Division is required to seek reimbursement from Ms. N for the overpaid SNAP benefits even if the overpayment was due to the Division's error. Accordingly, the Division's decision establishing a claim against Ms. N for the \$1,482.00 in overpaid SNAP benefits is affirmed.

II. Facts

A. The Overpayment at Issue

The relevant facts of this case are not in dispute. During the period in which she was receiving SNAP benefits, Ms. N had a four-person household consisting of one adult and three minor children.¹ Ms. N's household began receiving SNAP benefits in March 2012.² Ms. N believes that she informed the Division that she obtained a second job.³ The income from this job put Ms. N's household over the applicable SNAP gross income limit, with the result that Ms. N's household was no longer eligible for SNAP benefits for the months of October through December of 2012.⁴ Due to a delay in processing Ms. N's employment and income information, the Division

¹ Exhibit 1.
² Exhibit 1.
³ Recording of Hearing- Testimony of Ms. N.
⁴ Exhibit 2.6.

did not terminate Ms. N's SNAP benefits until after December of 2012.⁵ As a result of this, Ms. N received \$1,482.00 in SNAP benefits, which she should not have received.⁶

At the hearing, Ms. N did not dispute the Division's calculation of the amount of overpaid SNAP benefits.⁷ Ms. N argued that it is unfair to make her pay back these benefits because she kept the Division informed of her employment and income information. Ms. N also explained that requiring her household to repay the over-issued SNAP benefits would impose a significant hardship on her household, which includes her child and the two nieces she is caring for.⁸

B. Procedural History

In a letter dated February 13, 2013, the Division explained to Ms. N it was seeking repayment of the overpayment of \$1,482.00 in SNAP benefits that were issued due to "inadvertent household error."⁹

Ms. N's hearing was held on March 28, 2013. Ms. N participated in the hearing by phone, represented herself, and testified on her own behalf. Terri Gagne, a Public Assistance Analyst employed by the Division, participated in the hearing by phone, represented the Division, and testified on its behalf. The record closed at the end of the hearing.

III. Discussion

The Food Stamp or Supplemental Nutrition Assistance Program (SNAP) is a federal program administered by the states.¹⁰ SNAP benefit amounts are based primarily on the number of people living in the household, and on the monthly income, after certain deductions, received by those household members.¹¹ In general, the greater a household's income, the smaller the amount of SNAP benefits the household will receive each month.¹²

The federal statute pertaining to the recoupment of overpaid SNAP benefits is 7 U.S.C.A. § 2022. Subsection (b)(1) of that statute provides in relevant part that the "state agency shall collect any overissuance of benefits issued to a household" This statute requires that the Division attempt to recover overpaid SNAP benefits.

⁵ Exhibit 2.34.

⁶ Exhibit 2.46.

⁷ Recording of Hearing- Testimony of Ms. N.

⁸ Recording of Hearing- Testimony of Ms. N.

⁹ Exhibit 2.46.

¹⁰ 7 C.F.R. § 271.4(a).

¹¹ 7 C.F.R § 273.10(e)(2)(ii)(A).

¹² See Alaska Food Stamp Manual, Addendum 4.

The federal implementing regulation pertaining to the recoupment of overpaid SNAP benefits is 7 C.F.R. § 273.18. Subsection (a)(2) and Subsection (e)(1) of that regulation require collection of claims for overpayment. Subsection (b)(3) of that regulation specifically requires collection of overpayments even when the overpayment was caused by an action or failure to take action by the agency issuing the benefits. This federal regulation, 7 C.F.R. § 273.18, therefore requires that the Division attempt to recover overpaid SNAP benefits, even if the overpayment was the result of the Division's own error. This was recently confirmed by the Alaska Supreme Court in the case of *Allen v. State of Alaska Department of Health & Social Services*, 203 P.3d 1155 (Alaska 2009). The federal regulations, and the *Allen* decision, are binding on the Department of Health and Social Services.

Ms. N has the right to request that the Division compromise, that is, write-off or forgive repayment of all or part of the overpaid benefits. The Division explained that Ms. N could apply for this type of relief in the Division's letter dated February 13, 2013 and the form labeled "Attachment D," which was provided with that letter.¹³

IV. Conclusion

Even if the overpayment at issue was the Division's fault, the applicable federal regulations require the Division to collect overpaid Food Stamp benefits. This is the case even if the overpayment is not the fault of the benefit recipient. Accordingly, the Division's decision to seek recovery of the \$1,482.00 in Food Stamp (SNAP) benefits, which the Division overpaid to Ms. N's household during October through December 2012, is affirmed.

Dated this 10th day of April, 2013.

Signed

Mark T. Handley
Administrative Law Judge

¹³ See SNAP regulation 7 C.F.R. § 273.18(e)(7). The letter is at Exhibit 2.34. "Attachment D," the form to request a reduction in the repayment is at Exhibit 2.45.

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 3rd day of May, 2013.

By: *Signed*
Name: Mark T. Handley
Title: Administrative Law Judge

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