

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

In the Matter of:)
)
 N E. B) OAH Case No. 13-1248-SNA
)
 _____) DPA Case

DECISION

I. Introduction

This case is Mr. N E. B's appeal of the decision by the State of Alaska Division of Public Assistance (DPA or Division) to deny her application for Supplemental Nutrition Assistance Program (SNAP or Food Stamp)¹ benefits for the month of September 2013 because her household income exceeded the maximum income limits.²

Ms. B admitted at the hearing that she did not re-apply to the Division, noting the change in her son's employment that changed her household income, on a new application, before the end of September 2013. Having reviewed the record in this case and after due deliberation, the Administrative Law Judge concluded that the Division's decision denying Ms. B's application for Food Stamps was correct.

II. Facts

On August 12, 2013, Ms. B filed an recertification application for food stamps.³ On September 9, 2013, the Division mailed a notice to Ms. B stating that her application was denied because her household income exceeded the limit for a two-person household. On September 10, 2013, Ms. B filed a second recertification application for food stamps.⁴ On this application, she included some household expenses. During a prehearing conference on September 16, 2013, Ms. B added a second adult son as a member of her household. The household income still exceeded the limitation for a three-person household, but Ms. B stated that one of her son's was planning to move out. Ms. B was instructed to re-apply if this change occurred. The Division

¹ Congress amended the Food Stamp Act in 2008. The 2008 amendment changed the official name of the Food Stamp Program to the Supplemental Nutrition Assistance Program ("SNAP").

² This Office has jurisdiction to review these issues pursuant to 7 CFR § 273.15 (a) ("[e]xcept as provided in [not applicable], each State agency shall provide a fair hearing to any household aggrieved by any action of the State agency which affects the participation of the household in the Program.")

³ Exhibits 2-2.8.

⁴ Exhibit 4.

again denied Ms. B's application, and explained that the application was a new application rather than a recertification. Ms. B appealed that decision.

Ms. B's appeal was heard on October 3, 2013. The hearing was audio recorded. Ms. B's attended the hearing by telephone, represented her household, and testified on her own behalf. DPA Public Assistance Analyst Terri Gagne attended the hearing by telephone, and represented the Division.⁵

Ms. B admitted at the hearing that the denied application contained the correct household income information at the time it was filed and she did not dispute that the Division was correct in its determination that the income listed on the denied application exceeded the household limit. Ms. B explained that one of her sons did not make as much during the month of September as it she thought he would when she signed the denied application. Ms. B explained that this son had switched jobs in September, after she applied, and lost some work-time as a result. Ms. B admitted that she did not notify the Division of this change or re-apply in September.⁶

III. Discussion

Ms. B was not eligible for retroactive Food Stamp benefits for the month of September 2013.

The Food Stamp program is a federal program administered by the states.⁷ Food Stamp benefit amounts are based primarily on the number of people living in the household, and on the monthly income, after applicable deductions, received by those household members.⁸ In general, the greater a household's income, the smaller the amount of Food Stamp benefits the household will receive each month.⁹

In order to calculate an applicant or recipient's benefit amount, it is first necessary to calculate the income on which the benefit amount is based. A household's eligibility for Food Stamps and its benefit amount are determined based on the Division's best estimate of the household's financial situation for the coming month. The Food Stamp program requires a prospective estimate of monthly income in order to provide households with needed benefits as soon as possible. If income were not prospectively estimated, it would be necessary for the

⁵ Recording of Hearing.

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⁷ 7 C.F.R. § 271.4(a).

⁸ 7 C.F.R § 273.10(e)(2)(ii)(A).

⁹ See Alaska Food Stamp Manual, Addendum 4.

Division to wait until the end of a month to see how much income a household actually received, and then calculate benefits based on actual income. Such a process would result in a correct determination of eligibility and benefits, but would cause hardships by requiring households to wait up to 30 days to receive benefits. The federal government made the policy decision that it is better to try to estimate a household's future financial circumstances, and to pay benefits right away based on that estimate, rather than make a needy household wait up to a month to receive benefits.¹⁰

The regulation which governs the way in which the Division must estimate income is 7 CFR § 273.10(c)(1)(i-ii). That regulation generally requires that prospective income be estimated based on income received during the past 30 days.

Ms. B's financial situation changed after she filed. This change caused the Division's prospective estimates of her household future income to be inaccurate.

Based on 7 CFR § 273.10, the Division's calculation of prospective income must be upheld if it was correctly estimated, even if, in retrospect, the amount of income actually received differs from the amount estimated.

At the hearing, Ms. B argued that the Division should "look backwards" and adjust her benefits based on her actual household income. As noted above, when an individual applies for benefits at the beginning of a month, the Division and the applicant must make an estimate of the income that will be received by the members of applicant's household during the remainder of that month.¹¹ In this case, the determination was for the month of September 2012, the month in which Ms. B's application was received. It is not disputed that the application included the correct household income information when it was filled-out and that it was correctly denied. Ms. B should have filed a new application after her household income changed due to circumstances that occurred after her application.¹²

IV. Conclusion

Ms. B's September 2013 application for food Stamps included the correct household income information when it was filled-out. The application was correctly denied. Ms. B did not re-apply to the Division with the change in her son's employment that changed her household

¹⁰ See generally Ohls and Beebout, The Food Stamp Program: Design Tradeoffs, Policy, and Impacts (Urban Institute 1993) at 30 - 31, accessed online at <http://books.google.com/books> (date accessed July 29, 2013).

¹¹ 7 C.F.R § 273.2(g)(3).

¹² 7 C.F.R § 273.2(g)(3).

income on a new application before the end of September 2013. The Division's denial Ms. B's September 2013 application for Food Stamps is affirmed.

Dated this 14th day of October, 2013.

Signed _____
Mark T. Handley
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 5th day of November, 2013.

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

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