

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

In the Matter of	)	
	)	
U S	)	OAH No. 16-1496-SNA
_____	)	Agency No.

**DECISION**

**I. Introduction**

U S receives food stamp benefits. In November 2016, the Division of Public Assistance reduced Mr. S’s food stamp benefits to \$19 a month after Mr. S began receiving payments from the senior benefit program. Because the senior benefit program benefits increased Mr. S’s income and the division correctly calculated his benefits based on the increased income, the division’s decision is upheld.

**II. Facts**

Mr. S receives retirement benefits from the federal Social Security Administration (SSA), and food stamp, adult public assistance (APA), and senior benefits from the division.

Mr. S originally applied for food stamps in May, 2016. When the division processed his application, it did not include Mr. S’s income from the senior benefit program in its calculations of Mr. S’s ongoing monthly income. It is not clear why the division omitted this income, but the division acknowledges that it erred in failing to include Mr. S’s senior benefits in his income between June and October, 2016.<sup>1</sup> When Mr. S submitted the required recertification application in October, 2016, the division noticed the error, and added the senior benefits.<sup>2</sup> Based on his social security, adult public assistance, and senior benefits income, the division concluded that Mr. S was eligible for \$19 a month in food stamp benefits.<sup>3</sup> Mr. S appealed.

A telephonic hearing was held on January 10, 2017. Mr. S represented himself. Jeff Miller, a Public Assistance Analyst with the division, represented the division.

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<sup>1</sup> Testimony of Miller.  
<sup>2</sup> Testimony of Miller; Exhibit 2.  
<sup>3</sup> Exhibit 4.

### III. Discussion

Mr. S argued that \$19 a month, roughly 63 cents a day, is an inadequate benefit amount. He testified that he had been receiving \$85 a month, which was enough to buy food and carry him through the month. In his view, \$19 a month is “laughable as a benefit” because \$19 will not buy enough food for a person to subsist on.<sup>4</sup>

The purpose of the food stamp program is to "permit low-income households to obtain a more nutritious diet through normal channels of trade by increasing food purchasing power."<sup>5</sup> The program is intended to supplement a household's diet, not to pay for all of its food. Eligible households are entitled to a minimum benefit. The minimum benefit for a one-person urban household has been set by the division for this year at \$19.<sup>6</sup> This raises the question of whether the division correctly concluded that Mr. S's income makes him eligible only for a minimum benefit.

The food stamp program uses a complicated mathematical formula that takes the recipient's household income and expenses into account to calculate the recipient's benefits. The formula requires the division to calculate the household's total gross income, and then deduct certain expenses specified in regulation.<sup>7</sup> A household with five or fewer people gets a standard deduction of \$268.<sup>8</sup> There are deductions for earned income, dependent care, child support, and medical costs over \$35.<sup>9</sup> Finally, there may be a deduction if the recipient's shelter costs are more than half of the recipient's adjusted income after other allowable deductions.<sup>10</sup>

The division verified Mr. S's benefits from the Social Security Administration, and the APA and senior benefit programs.<sup>11</sup> The division counted \$175 a month in senior benefits, \$215 in adult public assistance, and \$899 a month in Social Security benefits, totaling \$1,289 monthly in unearned income. Mr. S's household includes only Mr. S, so the division deducted the standard deduction of \$268. Mr. S had no earned income, and did not argue that he

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<sup>4</sup> Testimony of S; Exhibit 5.

<sup>5</sup> 7 CFR 271.1.

<sup>6</sup> Exhibit 7 (Alaska Food Stamp Manual Addendum 4, Alaska Food Stamp Program Standards and Maximum Allotments Effective October 1, 2016 through September 30, 2017).

<sup>7</sup> 7 C.F.R. 273.10(c) - (e).

<sup>8</sup> Alaska Food Stamp Manual Addendum 7, Budget Work Sheets for Households with Elderly (60 or over) or Disabled Member at 1. *See also* Exhibit 6.

<sup>9</sup> 7 C.F.R. 273.9(d).

<sup>10</sup> 7 C.F.R. 273.9(d)(6)(ii) and (iii).

<sup>11</sup> Exhibit 3 - 3.2.

was entitled to deductions for medical costs over \$35, dependent care costs, or child support. Mr. S's adjusted income after the standard deduction totaled \$1,021.<sup>12</sup>

The division calculated Mr. S's shelter costs using his actual rent and the standard deduction for telephone costs in Southeast Alaska. Mr. S testified that his other utilities were included in the rent.<sup>13</sup> Mr. S's total monthly shelter costs are \$778. Because this figure is more than half of Mr. S's total adjusted income, the division found that Mr. S had \$267.50 in excess shelter costs. Subtracting these from his total adjusted income, the division reached a net income figure for Mr. S of \$753. If the division had not included the \$175 in senior benefits Mr. S was receiving, using the same deductions his net income would have been only \$491.

The food stamp program anticipates that a recipient household will spend about 30 percent of its income on food.<sup>14</sup> To calculate monthly food stamp benefits, the division multiplies monthly net income by 0.3 and subtracts the result from the maximum food stamp allotment. For Mr. S's household, 30 percent of monthly net income equals \$226.05.<sup>15</sup> The maximum food stamp allotment for a household of one is \$237. Because the difference between these figures is less than the minimum food stamp benefit, the division rounded up and concluded that Mr. S was entitled to the minimum monthly benefit amount of \$19.

Mr. S's frustration with this conclusion is understandable, particularly given the fact that he had been receiving a higher benefit amount due to the division's failure to include his senior benefits income before the October recertification. However, the stated purpose of the federal program is to provide supplemental nutrition assistance, rather than a benefit sufficient to meet all of a household's food needs, and the division calculated Mr. S's benefit amount correctly under the food stamp program regulations.

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<sup>12</sup> Exhibit 6.

<sup>13</sup> Exhibit 6; Exhibit 7.1.

<sup>14</sup> United States Department of Agriculture, Food and Nutrition Service, "Supplemental Nutrition Assistance Program Fact Sheet on Resources, Income, and Benefits" available at <http://www.fns.usda.gov/snap/fact-sheet-resources-income-and-benefits>.

<sup>15</sup> Exhibit 6.1.

#### IV. Conclusion

The division correctly calculated Mr. S's food stamp benefits at \$19 a month based on his income including his senior benefits.

Dated: January 15, 2016.

*Signed* \_\_\_\_\_

Kathryn L. Kurtz

Administrative Law Judge

### 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 2<sup>nd</sup> day of February, 2017.

By: *Signed* \_\_\_\_\_

Name: Kathryn L. Kurtz

Title: Administrative Law Judge

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