



Mr. Z has been receiving Adult Public Assistance and Medicaid benefits for a number of years.<sup>2</sup> In November 2017, the Division became aware that his wife was receiving Workers Compensation payments.<sup>3</sup> A Division Eligibility Technician (ET) contacted the business that administered the payments for Ms. Z and was informed that Ms. Z received biweekly checks of \$777.62. Based upon a biweekly payment, the ET determined that Ms. Z received \$1,671.83 per month in Workers' Compensation payments.<sup>4</sup> Using Ms. Z's income, the Division then calculated that Mr. Z was eligible for Adult Public Assistance benefits, but his actual payment was \$0.<sup>5</sup>

It is undisputed that Ms. Z's Workers' Compensation payment is the only income that the Z household receives. Mr. Z disputed the Division's calculation of the amount of Workers' Compensation income his wife receives. Both he and his wife testified that she receives two checks per month, rather than receiving them biweekly.

A list of the Workers' Compensation payments Ms. Z received in 2017 was filed after the January 2, 2018 evidentiary hearing. The list shows that Ms. Z started receiving Workers' Compensation payments of \$772.62 beginning on May 29, 2017, and continuing each two weeks thereafter, not twice monthly. For example, she received three checks in October 2017: October 2, October 16, and October 30.<sup>6</sup>

### **III. Discussion**

The Alaska Adult Public Assistance program has financial eligibility requirements. One of those requirements is that a married couple, where only one is eligible for benefits, may have no more than \$1,673 per month in joint income.<sup>7</sup> Workers' Compensation payments, such as Ms. Z receives, are classified by law as unearned income.<sup>8</sup> As discussed above, Ms. Z receives \$777.62 every two weeks, as contrasted twice a month. Because this means that Ms. Z is paid 26 times yearly, as compared to the 24 times yearly that would happen if she was paid twice monthly, the biweekly amount is multiplied by a factor of 2.15 to arrive at a monthly income amount. Accordingly, Ms. Z's monthly income was \$1,671.83.<sup>9</sup> Because Ms. Z's income is legally

---

<sup>2</sup> Ex. 1.

<sup>3</sup> Ex. 2.

<sup>4</sup> Ex. 7.

<sup>5</sup> Exs. 9 – 10.

<sup>6</sup> No Name, Inc. printout of payments dated January 4, 2018.

<sup>7</sup> 7 AAC 40.240 and 7 AAC 40.310; Ex. 8.1.

<sup>8</sup> 7 AAC 40.300(a)(3).

<sup>9</sup> Ex. 7.

classified as unearned income, there is only one allowable deduction or “disregard” for it of \$20.<sup>10</sup> This reduced the Z’s monthly household income to \$1,651.83. Based upon that figure, the Division correctly determined that Mr. Z was technically eligible for Adult Public Assistance but was only eligible for a \$1.00 monthly payment. The record shows that Mr. Z declined the \$1 payment, which causes him to receive no monthly payment.<sup>11</sup> However, as discussed at hearing, this technical eligibility for Adult Public Assistance, although he receives no cash payment, means that he remains eligible for Medicaid.<sup>12</sup>

#### **IV. Conclusion**

The Division’s reduction of Mr. Z’s Adult Public Assistance payment to \$0 per month is upheld.

DATED this 2<sup>nd</sup> day of February, 2018.

*Signed* \_\_\_\_\_  
Lawrence A. Pederson  
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 20th day of February, 2018.

By: *Signed* \_\_\_\_\_  
Name: Kathryn Swiderski  
Title: Administrative Law Judge

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

---

<sup>10</sup> 7 AAC 40.320(a)(23).

<sup>11</sup> The Division’s calculations are contained at Ex. 10. *Also see* the Division’s casenote dated December 1, 2017 indicating that Mr. Z declined the cash payment. Ex. 7.

<sup>12</sup> 7 AAC 100.410(b).