BEFORE THE ALASKA OFFICE OF ADMINISTRATIVE HEARINGS ON REFERRAL BY THE COMMISSIONER OF HEALTH

In the Matter of)	
)	
L. N.)	OAH No. 23-0243-SNA
)	

DECISION

I. Introduction

L. N. applied for Supplemental Nutrition Assistance Program (SNAP)¹ benefits on November 29, 2022. Her application was initially denied because the Division of Public Assistance (Division) erroneously determined that she did not respond to its requests for information. After L. N. apprised the Division of its error, L. N. was approved for SNAP benefits for November, prorated from the date of application, and December of 2022, but was denied for benefits for January 2023 onward.

L. N. requested a hearing on March 15, 2023. The Division referred the case for hearing on April 11, 2023.² L. N.'s hearing was held on April 27, 2023. L. N. represented herself and testified on her own behalf. Jessica Hartley, a Fair Hearing Representative for the Division, represented the Division and testified on its behalf.

The law and the evidence presented in this case demonstrate that the Division's determination that L. N. was not financially eligible for SNAP benefits as of January 2023, and its termination of L. N.'s SNAP benefits after December 2022 are AFFIRMED.

II. Facts³

L. N. applied for SNAP benefits on November 29, 2022 for herself and her two minor children. She was unemployed and receiving unemployment benefits at the time.⁴ In her response to question 18 on the application, which is used to determine if an application should be expedited, she did not respond to the question regarding whether she had \$100 or less in cash or

The Supplemental Nutrition Assistance Program is also known by its previous name of the Food Stamp Program. Congress changed the name of the program from the Food Stamp Program to the Supplemental Nutrition Assistance Program (SNAP). The term SNAP will be used in this decision.

L. N. requested a hearing on March 15, 2023. Per 7 AAC 49.080(2), the Division is to refer hearing requests to the Office of Administrative Hearings within 10 days of the hearing request, which would have been March 25, 2023. The Division did not refer this case to the Office of Administrative Hearings for hearing until April 11, 2023, 16 days late.

Unless otherwise stated, the following facts are derived from L. N.'s and Ms. Hartley's testimonies.

Exs. 2 - 2.17, 5.1.

in the bank, and answered yes to the questions asking if her monthly gross income was less than \$150 and whether her household costs (rent/mortgage/utilities) were more than her monthly gross income, cash and money in the bank.⁵

L. N. obtained employment on December 1, 2022.⁶ Her unemployment stopped as a result, and the last unemployment payment she received was for the week ending December 3, 2022 in the amount of \$222. Her paystub for the two-week period ending on December 2, 2022 shows that she worked a total of 7.99 hours in that pay period.⁷

The Division did not process L. N.'s application on an expedited basis. L. N. testified that because it did not process her application on an expedited basis, she was forced to take a job that did not adequately provide for her family's needs. Instead, the Division conducted an interview with her on December 29, 2022, the 30th day after she filed her application. It then sent her a notice requesting income information on December 30, 2022, with a due date of January 9, 2023. L. N. complied with that information request on January 9, 2023 by email. That response included an employment statement from her employer, and printouts showing the pay information from when she started her job to date. The Division reviewed L. N.'s application on January 18, 2023 and erroneously determined that she had not complied with its information request. On January 19, 2023, the Division sent L. N. notice that her application was denied because she did not respond to its request for information. That same day, L. N. submitted paystubs for her current job through January 19, 2023.

L. N. had subsequent multiple contacts with Division staff about her case. On March 15, 2023, L. N. submitted a hearing request to the Division, which pointed out that she had provided the requested information to the Division and that she had attempted to have the case reviewed.¹²

On March 16, 2023, the Division reviewed L. N.'s information and rescinded its prior denial of her application, granting her prorated benefits for November 2022 in the amount of \$39, benefits for December 2022 in the amount of \$732, and no benefits thereafter because she

⁵ Ex. 2.

⁶ Ex. 8.1.

⁷ Exs. 5.1, 9.1.

⁸ Exs. 3 - 4.1.

⁹ Exs. 8 - 8.11.

Ex. 6.

Exs. 9 - 9.4.

Ex. 10.1.

was over income for January 2023 onward.¹³ On March 17, 2023, the Division sent L. N. two notices. The first notified her of her approval for SNAP benefits for November and December 2022 and the amounts. It also notified her that her household's monthly income limit was \$3,119 and that she was required to report when her monthly household income exceeded that limit.¹⁴ The second notice informed her that she would not receive benefits after December 2022, because her gross monthly income exceeded the income limit, and explained how the Division determined her gross monthly income amount.¹⁵

L. N. did not disagree with the Division's calculation of her benefit amount for November or December 2022. She did, however, disagree with the Division's calculation of her monthly income starting in January 2023.

III. Discussion

The issue in this case is whether the Division was correct to close L. N.'s SNAP benefit case after December 2022.

SNAP is a federal program which is administered by the State of Alaska. ¹⁶ To administer the program in Alaska, the Alaska Department of Health has adopted the federal regulations governing the program. ¹⁷ Accordingly, the decision in this case is governed by the federal SNAP regulations. ¹⁸

A. Expedited Processing

Expedited processing of SNAP applications is required when an applicant has liquid resources of less than \$100 and less than \$150 in monthly countable income, or when the household has countable monthly income and liquid resources (cash/money in the bank) that are insufficient to meet their household's monthly expenses. ¹⁹ The SNAP application screens for expedited processing by asking three questions: whether the applicant has more than \$100 in cash or money in the bank; whether the household monthly gross income is less than \$150; and whether the household's monthly income and cash, and money in the bank is less than its

http://dpaweb.hss.state.ak.us/manuals/fs/fsp.htm#t=605%2F605-3_b.htm

); 7 C.F.R. § 273.2(i)(1).

Casenote dated March 16, 2023: Ex. 11. This casenote refers to a March 15, 2023 casenote which is not in the record.

¹⁴ Ex. 12.

¹⁵ Ex. 13.

¹⁶ 7 C.F.R. § 271.4(a).

¹⁷ 7 AAC 46.010.

The applicable regulations are located at 7 C.F.R. § 273.1 et. seq.

Alaska SNAP Manual § 605-3B (1) (available online at

rent/mortgage/utility costs.²⁰ L. N. checked yes to the questions indicating that her monthly gross income was less than \$150²¹ and that her monthly household costs exceeded her monthly income and funds. However, she did not answer the question about whether she had more than \$100 in cash or money in the bank.²² Because the amount of cash or funds in the bank was integral to satisfying the requirements for expedited processing, and L. N. did not answer the question, she did not satisfy the requirements for expedited processing. This meant that her application could be processed under the normal timetable.²³

B. Monthly Income

The Division determined by averaging L. N.'s paychecks that her household gross monthly income exceeded the limit for her household size beginning in January 2023. L. N. did not dispute that her income exceeded the income limit. Nor did she dispute that the Division used the correct gross income figures from her paychecks. She, however, disagreed with the Division's use of a conversion factor whereby it took her average biweekly gross income and multiplied it by 2.15 to arrive at a gross monthly income figure. The Division's use of the conversion factor is mandated by both federal regulation and Alaska state regulation. The federal regulation provides:

Whenever a full month's income is anticipated but is received on a weekly or biweekly basis, the State agency shall convert the income to a monthly amount by multiplying weekly amounts by 4.3 and biweekly amounts, by 2.15, use the State Agency's PA conversion standard, or use the exact monthly figure if it can be anticipated for each month of the certification period.²⁴

The Alaska State SNAP regulations explicitly adopt the use of the conversion standard.²⁵

It is undisputed that the Division used the conversion standard when it calculated L. N.'s monthly income for January 2023, when it multiplied her average biweekly income by 2.15 to arrive at a gross monthly income figure that exceeded the applicable income limit for her household size. L. N. argued that it was inappropriate to use the conversion standard, inasmuch as if her application had been processed on an expedited basis, the Division would have not been able to determine that her income for January as exceeding the household income limit. In

²⁰ Ex. 2.

The Dept. of Labor and Workforce Development records show that L. N. was receiving more than \$150 per month in unemployment income at the time of her application. *See* Ex. 5.1.

Ex. 2.

²³ 7 C.F.R. § 273.2(i)(4)(v).

²⁴ 7 C.F.R. § 273.10(c)(2)(i).

²⁵ 7 AAC 46.021(a)(28).

support of her argument, she testified that she was forced to go to work because the Division did not approve her SNAP application on an expedited basis.

L. N.'s argument is purely speculative. It ignores the fact that if expedited processing had been instituted, that would have occurred within seven days of the date she filed for SNAP benefits. She applied for SNAP benefits on November 29, 2022. Her job started on December 1, 2022, only two days after she applied for benefits. Her argument presupposes that the Division was required to process her application on an expedited basis, and that it would do so before she started working. First, it should be noted that L. N., as discussed above, was not entitled to expedited processing of her application. Second, L. N.'s argument ignores the fact that even if her application had been processed on an expedited basis, L. N. would have most likely already started working and the Division would have either (a) temporarily approved her application contingent upon her providing her income information for her new job, ²⁶ or (b) would have had her wage and hour base information from which it could project her monthly income.

"Administrative agencies are bound by their regulations just as the public is bound by them." *Burke v. Houston NANA, L.L.C.*, 222 P.3d 851, 868 – 869 (Alaska 2010).²⁷ In this case, the applicable SNAP regulations required the Division to apply the conversion factor to account for the fact that L. N. was receiving biweekly paychecks when it calculated her monthly income for January 2023. The Division did so, and found that L. N. was not financially qualified for SNAP benefits for that month. L. N. does not disagree that, by utilizing the conversion factor, she was financially ineligible for SNAP benefits as of January 2023. L. N.'s testimony and arguments, and the Division's earlier and admittedly erroneous denial of her application do not establish any legal grounds for allowing the Division to not follow its regulations. This means that the Division correctly determined she was not eligible for SNAP benefits after December 2022.

IV. Conclusion

The Division correctly determined that L. N.'s gross monthly income exceeded the gross monthly income limit for her household size beginning with the month of January 2023. Consequently, its termination of her SNAP benefits after December 2022 is AFFIRMED.

²⁶ See 7 C.F.R. § 273.2(i)(4)(iii).

²⁷ Burke v. Houston NANA, L.L.C., 222 P.3d 851, 868 – 869 (Alaska 2010).

DATED: April 28, 2023.

Signed
Lawrence A. Pederson Administrative Law Judge

Adoption

The undersigned, by delegation from the Commissioner of Health, 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 9th day of May, 2023.

By: <u>Signed</u>
Lawrence A. Pederson
Administrative Law Judge

[This document has been modified to conform to the technical standards for publication. Names may have been changed to protect privacy.]