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

In the Matter of	)	
	)	
S. G.	)	OAH No. 25-2155-MDE
	)	

DECISION

S. G. applied for Medicaid, which the Division of Public Assistance denied because, according to the Division, Ms. G.'s income exceeded Medicaid eligibility levels. Ms. G. requested a fair hearing, which was held on August 6, 2025. Ms. G. represented herself and Jennifer Lefew represented the Division. Because the Division correctly computed Ms. G.'s income and her income exceeds the eligibility requirements for Medicaid, this tribunal AFFIRMS the Division's denial of Medicaid benefits for Ms. G..

I. Background[1]

Ms. G. is 69 years old and lives in Anchorage, Alaska.[2] She applied for Medicaid on May 6, 2025.[3] In her application she reported $3,125 per month in Social Security benefits as ongoing income.[4] She lives alone in an apartment she rents for $1,191 per month. Ms. G. reported no other members of her household.[5] She also reported various other expenses (heat, water, electricity, sewer, garbage, phone) totaling $247.62 per month.[6] She also reported ongoing medical expenses of a noteworthy $234,622.77 per month.[7] It is not clear where she obtained that monthly figure, but she did submit numerous medical bills with her application. These bills are for services provided between 2022-2024.[8] Most of these bills range from tens of dollars to thousands of dollars, but there is one bill from Alaska Regional Hospital for services rendered between June 29, 2023 and July 14, 2023 in the total amount of $866,874.66.[9] Several of the medical bills note adjustments and payments from Medicare, but the Alaska Regional invoice does not.

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[1] Ms. G. submitted her entire Medicaid application. These documents are Exhibit A.
[2] Exhibit A at 4.
[3] *Id.* at 10.
[4] *Id.*
[5] *Id.* at 5-6.
[6] *Id.* at 13.
[7] *Id.*
[8] *Id.* at 46-147.
[9] *Id.* at 50-59.

The Division denied Ms. G.'s application for Medicaid on May 14, 2025.[10] In a separate communication also dated May 14, 2025, the Division notified Ms. G. that she may be eligible to set up a Medicaid Qualifying Trust that could reduce her qualifying income so that she might qualify for Medicaid.[11]

On May 20, 2025, Ms. G. timely requested a fair hearing to challenge the denial of her Medicaid application.[12]

II. Discussion

Medicaid is a joint federal/state program to provide health insurance to people with limited income and resources. Medicaid is governed by federal and state requirements and is funded in part by both the federal and state governments. Medicaid has significant eligibility requirements, one of which is income. The Division must determine the applicant's income to determine eligibility for particular programs. Because Ms. G. applied for benefits, she has the burden of proof, by a preponderance of the evidence, to demonstrate that she is financially eligible for those benefits.[13]

Here the Division analyzed Ms. G.'s Medicaid eligibility under two scenarios, one where she is considered disabled,[14] and one where she is not considered disabled and applying solely based on her age. To qualify for Medicaid if she is disabled, Ms. G. must have monthly income of not more than $2,901.[15] There is no exclusion for medical expenses to qualify for Medicaid as a disabled individual.[16] In order to qualify as a non-disabled person, Ms. G. must have monthly income of not more than $1,620.[17] This income limit includes Social Security payments.[18]

It is undisputed that Ms. G. earns $3,125 per month in Social Security benefits. There are no applicable reductions to her income. Her income exceeds Medicaid standards either for disabled people or for people over 65 who are not disabled.

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[10] Exhibit 3.
[11] Exhibit 4.
[12] Exhibit A at 153.
[13] 7 AAC 49.135.
[14] Even if she qualified based on her income for Medicaid as a disabled person, she would also have to demonstrate she is disabled. There is no evidence in the record of whether Ms. G. is disabled.
[15] Alaska Aged, Disabled and Long Term Care Medicaid Manual ("ADLTC Manual") Addendum 1, "Specialized Long Term Care Income Standard 1/1/2025. This is attached to the Division's position statement as Exhibit 6.
[16] ADLTC Manual § 523.
[17] Alaska Adult Public Assistance Manual ("APA Manual"), Appendix 1 ("Substantial Gainful Activity" monthly limit for 2025). This chart is attached to the Division's position statement as Exhibit 6.4.
[18] APA Manual § 441-2.

III. Conclusion

For the foregoing reasons, the denial of Ms. G.'s Medicaid application is AFFIRMED.

Dated: August 8, 2025

SIGNED
Robert H. Schmidt
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 10th day of September, 2025.

By: SIGNED
Name: Robert H. Schmidt
Title: Administrative Law Judge

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