

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

In the Matter of	)	
	)	
B. D-A.	)	OAH No. 25-3319-SNA
_____	)	

DECISION

I. Introduction

B. D-A. had been receiving Supplemental Nutrition Assistance Program (“SNAP”) benefits and submitted a new application to continue her benefits. The Division of Public Assistance denied that application because Ms. D-A. failed to provide information about her household and its income and resources. Despite that denial, the Division continued paying her SNAP benefits for many months, in error. It even sent Ms. D-A. a notice when she had not been spending her benefits. These post-denial benefits were nonetheless overpayments. And the Division is required by federal law to recover overpayments, even overpayments caused by the Division’s own errors. Accordingly, the Division’s determination that Ms. D-A. is required to reimburse the Division for the overpayment is affirmed.

II. Background

SNAP is a federal program administered by the State of Alaska.¹ Recipients must provide certain information to qualify for benefits and continue to provide information with interim reports or when reapplying after benefits have lapsed or closed for any reason.

B. D-A. was a SNAP recipient.² She applied most recently on August 8, 2024.³ In February 2025, the Division’s fraud department referred Ms. D-A.’s benefits case for review, prompting the Division to send out a February 14 notice requesting information about income, resources, and the composition of her household.⁴ Ms. D-A. did not submit that information. The Division thus notified her on February 26, 2025 that her application was denied.⁵

Despite this denial, the Division continued to pay Ms. D-A. benefits.⁶

¹ 7 C.F.R. § 271.4.
² Ex. 1.
³ Ex. 8.
⁴ Marie Thirlwell testimony; Ex. 8.
⁵ Ex. 8.
⁶ Ex. 1-3.

On May 27, 2025, the Division sent Ms. D-A. a notice that it was concerned she had not spent her SNAP benefits for at least 60 days and providing information about checking her balance or contacting a caseworker if she did not receive a SNAP card.⁷ Notices like this are automatically generated when a SNAP recipient has not been spending their SNAP benefits.⁸ Ms. D-A. interpreted this letter as an indication that her benefits had been approved, even though she never submitted the additional information the Division had requested and her application had been denied.⁹

Ms. D-A. proceeded to spend SNAP benefits. This went on for many months before the Division discovered it was still paying benefits after denying her application. The Division notified Ms. D-A. on September 24, 2025 that it had overpaid benefits from April through August 2025, totaling \$3195.¹⁰

Ms. D-A. requested this hearing regarding her SNAP overpayment.¹¹ A hearing was held on December 15, 2025.

III. Discussion

SNAP is a federal program administered by the State of Alaska, subject to federal laws.¹² The Division has the burden of showing that it overpaid SNAP benefits and that Ms. D-A. should reimburse the overpayment.¹³

Ms. D-A. does not dispute that the Division requested information about her household and its income and resources, that she did not submit that information, or that the Division denied her SNAP application for failure to provide information. She takes issue with the fact that she did not receive an additional notice after her application denial stating that her benefits were closed.¹⁴ And she contends that the benefits paid from April through August 2025 should not be considered an overpayment because of the May 27, 2025 notice she received advising her she had not spent SNAP benefits for 60 days.¹⁵

⁷ Ex. 15.
⁸ Marie Thirlwell testimony.
⁹ B. D-A. testimony.
¹⁰ Ex. 4-4.14.
¹¹ Ex. 6.
¹² 7 C.F.R. § 271.4.
¹³ 7 AAC 49.135.
¹⁴ B. D-A. testimony.
¹⁵ B. D-A. testimony.

SNAP applicants are responsible for providing information about their household, income, and resources. The Division appropriately denied Ms. D-A.'s SNAP application when she failed to provide that information.

The Division erred by continuing to fund her SNAP benefits after denying those benefits. But because these payments were made in error, they are overpayments. The fact that the Division sent Ms. D-A. a notice in May that she had not been using her benefits does mean these were not overpayments. That notice was unfortunate. And should have raised questions. But having received a notice that her SNAP application had been denied, it was not reasonable for Ms. D-A. to assume that her application had not in fact been denied.

Ms. D-A. is correct that this is situation of the Division's own making. It erred by continuing to pay benefits after denying her application. And it erred in send her a notice regarding unspent benefits at a time when the Division was paying benefits in error. Those mistakes, however, do not make Ms. D-A. eligible for benefits during this time period or alter the status of these benefits as overpayments. Nor does the fact that the Division erred absolve Ms. D-A. from repaying these overpayments. The Division is required by federal law to recover overpaid SNAP benefits, even when the Division's error caused the overpayment.¹⁶

The Alaska Supreme Court confirmed this in *Allen v. State*.¹⁷ In that case, two food stamp recipients received excess benefits due to agency error. The Court recognized that the federal law may raise a concern about fairness, but found that Congress had already taken this concern into account in shaping the policy behind the regulation:

We are sympathetic to the argument that it is unfair to require indigent food stamp recipients to repay benefits that were overissued to them through no fault of their own, but Congress has already made the policy decision that a ten dollar or ten percent cap on monthly allotment reduction, coupled with allowing state agencies some flexibility to compromise claims, is sufficient to mitigate this unfairness.¹⁸

The federal regulations and the *Allen* decision are binding on the Department of Health and require the Division to pursue a claim for overpayment in this case, even though

¹⁶ 7 U.S.C. § 2022(b)(1) ("a State agency shall collect any overissuance of benefits issued to a household"); 7 C.F.R. § 273.18(a)(2), (b)(3) ("The State agency must establish and collect any claim," including "any claim for an overpayment caused by an action or failure to take action by the State agency").

¹⁷ *Allen v. State, Dep't of Health & Soc. Servs.*, 203 P.3d 1155 (Alaska 2009).

¹⁸ *Id.* at 1164 (footnotes omitted).

the Division's own error caused the overpayment. Thus, even though Ms. D-A. was overpaid through no fault of her own, the Division must still recover those overpaid benefits from her.

However, the Division does have some discretion in how it seeks recoupment and the total amount it seeks. If the household that received the overpayment is still receiving benefits, and the household does not want to repay the overpayment immediately in full, the household may opt to repay the overpayment through a reduction of its current SNAP benefits in the amount of \$10.00 per month or 10% of the household's monthly SNAP benefit, whichever is greater.¹⁹ The Division also retains the ability to compromise the claim, or agree to a payment plan.²⁰ In situations where it can be "determined that a household's economic circumstances dictate that the claim will not be paid in three years" the Division has the discretion to compromise the claim.²¹ Nothing in this decision should be interpreted to limit the Division's ability to compromise, reduce, or create a payment plan for this claim. As of the date of the hearing, Ms. D-A. had not applied with the Benefit Issuance and Recovery Unit for any of the potential options to ease this financial burden. Ms. D-A. is encouraged to do so.²²

IV. Conclusion

The Division's determination that Ms. D-A. was overpaid \$3195 in SNAP benefits and must reimburse the Division those overpaid benefits is affirmed.

Dated: December 29, 2025

SIGNED
Rebecca Kruse
Administrative Law Judge

¹⁹ 7 C.F.R. § 273.18(g)(1).

²⁰ 7 C.F.R. § 273.18(d)(7).

²¹ 7 C.F.R. § 273.18(d)(7)(i).

²² Contact information for the State of Alaska, Department of Health, Public Assistance Benefit Recovery Unit may be found at <http://dpaweb.hss.state.ak.us/node/28>.

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 14th day of January, 2026.

By: SIGNED

Name: Rebecca Kruse

Title: Administrative Law Judge

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