State of New Jersey
OFFICE OF ADMINISTRATIVE LAW

INITIAL DECISION
OAL DKT. NO. HMA 06699-26
AGENCY DKT. NO. N/A

K.C.,
Petitioner,
v.
MIDDLESEX COUNTY
BOARD OF SOCIAL SERVICES,
Respondent.

Benjamin Menasha, Esq., appearing for petitioner (Pisciotta & Menasha, LLC, attorneys)

Kurt Eichenlaub, Human Services Specialist 3, appearing for respondent under N.J.A.C. 1:1-5.4(a)(3)

Record Closed: August 19, 2026 Decided: September 9, 2026

BEFORE **DIANE HOAGLAND**, ALJ:

STATEMENT OF THE CASE

On January 8, 2026, petitioner, K.C., applied to respondent, Middlesex County Board of Social Services (Middlesex County), a county social services agency (CSSA), for Medicaid. On February 11, 2026, Middlesex County requested information, and on

March 2, 2026, K.C. provided the requested information. Must Middlesex County process the application? Yes. CSSAs must process Medicaid Only application forms and requested information to determine eligibility. N.J.A.C. 10:71-2.2.

PROCEDURAL HISTORY

On January 8, 2026, K.C. applied to respondent, Middlesex County, for the Medicaid Only program.

On February 11, 2026, Middlesex County sent Benjamin Menasha, attorney for K.C., a Request for Information (RFI). On March 2, 2026, Menasha sent an extensive amount of bank statements and financial records in response to the RFI, along with a request for an extension because he was actively working on getting the remaining requested information. On March 30, 2026, Middlesex County notified Menasha that K.C. was ineligible for Medicaid because he failed to provide the requested information.

On April 13, 2026, Menasha requested a fair hearing.

On April 28, 2026, the Division of Medical Assistance and Health Services transmitted the case to the Office of Administrative Law as a contested case under N.J.S.A. 52:14B-1 to -15 and N.J.S.A. 52:14F-1 to -13.

On August 19, 2026, I held the hearing and closed the record.

FINDINGS OF FACT

Based on the testimony the parties provided and my assessment of their credibility, together with the documents submitted and my assessment of their sufficiency, I **FIND** the following as **FACT**:

On January 8, 2026, K.C. applied to Middlesex County for the Medicaid Only program. On February 11, 2026, Middlesex County sent Menasha an RFI. Menasha received the RFI approximately two days later. Denise Pszonek, legal assistant for

Menasha who assists Menasha's clients with their Medicaid applications, immediately contacted his clients, the family members of K.C., to review the information requested. Within two days of Pszonek's telephone conference with the family members, the family members went to TD Bank and Key Bank to obtain the requested information. While at TD Bank and Key Bank, the family members contacted Pszonek and relayed the information provided to them from both banks. TD Bank and Key Bank notified the family members that transactions that are more than one year old are archived, so they're not accessible at local branches. In fact, both banks require a minimum of fifteen days to process the request, plus mailing time of approximately seven to ten days.

Middlesex County initially requested the information to be provided by February 25, 2026, but due to the extensive amount of information requested, Middlesex County granted an extension to March 26, 2026.

On March 2, 2026, Menasha sent Middlesex County an extensive amount of bank statements and financial records in response to the RFI, along with a request for an extension because he was actively working on getting copies of the deposit slips and checks for Chase Bank, TD Bank, and Key Bank, and it takes a minimum of fifteen days for the banks to process the request for transactions that date back more than six months, plus mailing time.

K.C.'s family members contacted the banks numerous times to request the transactions that were archived. In turn, Pszonek called the Middlesex County caseworker on numerous occasions to provide a status and request additional time to provide the verifications. The calls, however, went directly to voicemail. Pszonek did not have an email address, and the caseworker never returned a call.

On March 30, 2026, Middlesex County notified Menasha that K.C. was ineligible for Medicaid because he failed to provide the requested information. The notice, however, did not explain what information was missing or if any of the information provided was inadequate. Upon receipt of that denial, Pszonek immediately called the caseworker and left a message. Pszonek proceeded to leave several messages for the caseworker but never received a returned call.

On June 1, 2026, after several unanswered calls, Pszonek called Kurt Eichenlaub, Human Services Specialist 3 for Middlesex County, and left a message but never received a return call.

On June 3, 2026, Pszonek followed up on her phone message to Eichenlaub with an email requesting an explanation for the denial and a list of documents that were not provided.

Also on that date, more than two months after Middlesex County notified Menasha that K.C. was ineligible for Medicaid, Middlesex County explained to Pszonek for the first time that the Medicaid application was denied for failure to provide verification of two deposits into K.C.'s TD Bank accounts, two deposits into K.C.'s Key Bank account, electronic deposit transfers from a Goldman Sachs account into K.C.'s TD Bank account, and all unidentified deposits into a TD bank account from November 26, 2021, through May 30, 2023.

Middlesex County did not request the specific deposit transfers in the RFI dated February 11, 2026.

After receiving the denial, Pszonek received copies of some electronic deposits on August 17, 2026. TD Bank advised Pszonek that some of the electronic deposits were cash advances from credit card companies. Still, the phone transfer deposit verifications were unavailable.

CONCLUSIONS OF LAW

The Division of Medical Assistance and Health Services is responsible for coordinating the administration of the Medicaid Only program and establishing policies for the application process. N.J.A.C. 10:71-2.2(a) and N.J.A.C. 10:71-2.2(b). The CSSA is responsible for the application process, including informing the applicants about the purpose and eligibility requirements for Medicaid Only and assisting applicants in becoming eligible for the Medicaid Only program. N.J.A.C. 10:71-2.2(c). A Medicaid

applicant must assist the CSSA in securing evidence that corroborates his or her statements in the Medicaid application. N.J.A.C. 10:71-2.2(e).

The maximum time to process an application for the aged is forty-five days. N.J.A.C. 10:71-2.3(a). Exceptions, however, exist. The CSSA can extend the processing of the application where it has determined that the applicant's proof of eligibility is inconclusive and the applicant should be given a further opportunity to develop additional evidence of eligibility before final action is taken on his or her application. N.J.A.C. 10:71-2.3(c). The CSSA can send an additional RFI letter if the applicant's response to the first RFI prompts the need for additional outreach, and an extension of time should be provided if the applicant continues to cooperate in good faith with the agency. Medicaid Communication No. 22-04. The federal regulations also provide an exception that allows the agency to accept the self-attestation of individuals when documents do not exist or are not reasonably available at the time of the application. 42 C.F.R. 435.952(c)(3) (2025).

In this case, Middlesex County argues that K.C. did not provide the requested information to process the Medicaid application because Menasha failed to provide sufficient verification of deposits into K.C.'s TD Bank and Key Bank accounts. Menasha, however, provided an explanation. Both TD Bank and Key Bank required a minimum of fifteen days to process the request for transactions, plus mailing time.

Since Menasha provided the requested information in response to the RFIs, requested an extension of time to provide verifications of deposits that were not reasonably available at the time of the application, and continued to act in good faith to obtain the deposit verifications, I **CONCLUDE** that Middlesex County must **PROCESS** the Medicaid Only application to determine eligibility under N.J.A.C. 10:71-2.2(c)(5).

ORDER

Given my findings of fact and conclusions of law, I **ORDER** that respondent **PROCESS** the application to determine eligibility under N.J.A.C. 10:71-2.2(c)(5).

I **FILE** my initial decision with the **ASSISTANT COMMISSIONER OF THE DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES** for consideration. This recommended decision may be adopted, modified, or rejected by the **ASSISTANT COMMISSIONER**, who is authorized to make a final decision in this case. If the **ASSISTANT COMMISSIONER** does not adopt, modify, or reject this decision within forty-five days, and unless such time limit is otherwise extended, this recommended decision becomes a final decision under N.J.S.A. 52:14B-10(c).

Within seven days from the date on which this recommended decision is mailed to the parties, any party may file written exceptions at **ASSISTANT COMMISSIONER, DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES, Mail Code #3, PO Box 712, Trenton, New Jersey 08625-0712**, marked "Attention: Exceptions." A copy of any exceptions must be sent to the judge and to the other parties.

September 9, 2026
DATE

Diane Hoagland
DIANE HOAGLAND, ALJ

Date Received at Agency: _____

Date Mailed to Parties: _____

DH/cb

APPENDIX

Witnesses

For petitioner

Denise Pszonek

For respondent

None

Exhibits

For petitioner

P-1 Letter from Menasha enclosing Exhibits AA1 through OO6 in response to RFI and emails between Pszonek and Eichenlaub regarding denial, March 2, 2026

P-11 TD Bank statements, October 1, 2023, through March 31, 2024.

P-12 TD Bank statements, May 25, 2021, through February 25, 2022

P-13 TD Bank statements, March 26, 2022, through July 25, 2022

For respondent:

R-A Application, January 8, 2026

R-B Denial, March 30, 2026

R-C Citations

R-D Request for Information, February 11, 2026

R-E Examples of some transactions not provided

The nonsequential numbering of exhibits reflects the fact that numerous pre-marked exhibits were neither identified nor offered into evidence.