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Lt. Governor

State of New Jersey
DEPARTMENT OF HUMAN SERVICES
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Commissioner

GREGORY WOODS
Assistant Commissioner

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE
AND HEALTH SERVICES

K.G.,	:	
PETITIONER,	:	**ADMINISTRATIVE ACTION**
v.	:	**FINAL AGENCY DECISION**
OFFICE OF COMMUNITY CHOICE OPTIONS AND DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES,	:	**OAL DKT. No. HMA 05171-2026**
RESPONDENTS.	:	

As Assistant Commissioner for the Division of Medical Assistance and Health Services (DMAHS), I have reviewed the record in this case, including the Initial Decision and the Office of Administrative Law (OAL) case file. No exceptions were filed in this matter. Procedurally, the time period for the Agency Head to render a Final Agency Decision is August 3, 2026.

This matter arises from the Office of Community Choice Option's (OCCO) February 6, 2026, denial of clinical eligibility under N.J.A.C. 10:166-2.1 and the New Jesey FamilyCare Comprehensive Demonstration, Section 1115.[1] (R-2). Petitioner applied for Managed Long-Term Services and Support (MLTSS). On February 6, 2026,

[1] Chapter 85, Long-Term Care Services, was readopted, effective October 16, 2024, and was recodified to N.J.A.C. 10:166, effective November 18, 2024. See: 56 N.J.R. 2242(a).

a New Jersey Choice Assessment was conducted by Aminat Ajadi, Registered Nurse (Nurse Ajadi), at the facility where Petitioner resided. (R-3). Upon completion, OCCO determined that Petitioner was ineligible for nursing home level of care finding that Petitioner did not meet clinical eligibility for MLTSS. Ibid. The Initial Decision upheld the denial as the Administrative Law Judge (ALJ) found that Petitioner was not clinically entitled to nursing facility services.

In order to receive Long-Term Care Services, Petitioner had to be found clinically eligible. The mechanism for determining clinical eligibility is a pre-admission screening (PAS) that is completed by "professional staff designated by the Department, based on a comprehensive needs assessment which demonstrates that the recipient requires, at a minimum, the basic NF [nursing facility] services described in N.J.A.C. 10:166-2.2." N.J.A.C. 10:166-2.1(a). See also, N.J.S.A. 30:4D-17.10, et seq.

Individuals found clinically eligible "may have unstable medical, emotional/behavioral and psychosocial conditions that require ongoing nursing assessment, intervention and/or referrals to other disciplines for evaluation and appropriate treatment. Typically, adult NF residents have severely impaired cognitive and related problems with memory deficits and problem solving. These deficits severely compromise personal safety and, therefore, require a structured therapeutic environment. NF residents are dependent in several activities of daily living (bathing, dressing, toilet use, transfer, locomotion, bed mobility, and eating)." N.J.A.C. 10:166-2.1 (a)(1).

Further, pursuant to NJ FamilyCare Comprehensive Demonstration, Section 1115 adult (ages twenty-one and older) individuals must be clinically eligible for MLTSS services when the individuals' standardized assessment demonstrates that the individuals satisfied any one or more of the following three criteria:

a. The individual:

i. Requires limited assistance or greater with three or more activities of daily living;

ii. Exhibits problems with short-term memory and is minimally impaired or greater with decision making abilities and requires supervision or greater with three or more activities of daily living;

iii. Is minimally impaired or greater with decision making and, in making himself or herself understood, is often understood or greater and requires supervision or greater with three or more activities of daily living.[2]

Here, Petitioner is a 37-year-old female diagnosed with other psychotic substance abuse, uncomplicated esophagitis, unspecified without bleeding, Helicobacter Pylori, muscle weakness, difficulty in walking, lack of coordination, need for assistance with personal care, gastro esophageal reflux disease without esophagitis, elevation of levels of liver transaminase levels, partial traumatic amputation of left foot, chronic viral hepatitis C, acquired absence of other left toe(s) and anxiety. R-3. As noted in the assessment narrative Petitioner is independent with eating, dressing upper and lower body, transfers, bed mobility and toileting. Ibid. Petitioner does require assistance with bathing to prevent falls. Ibid. Nurse Ajadi explained that she observed that Petitioner was alert and oriented but did note Petitioner had short term memory deficits because of her ability to only recall two out of three words after five minutes. Ibid. Petitioner's situational memory is intact because she moves around the facility and knows the names of her caregivers. Ibid. Petitioner's procedural memory is also intact because Petitioner was able to describe her daily morning routine which involves washing her face and brushing her teeth and is able to go out with her mother and return back to the facility later in the evening. Ibid. Petitioner reports that she has no place to live, and her mother stated that Petitioner

[2] New Jersey FamilyCare Comprehensive Demonstration Approval Period: April 1, 2023, through June 30, 2028.

cannot reside with her. Ibid. Based on these facts, Petitioner was determined ineligible for nursing facility level of care. Ibid.

Petitioner appealed OCCO's ineligibility determination, and the matter was transferred to the Office of Administrative Law (OAL) wherein a hearing was held on June 3, 2026. ID at 2. During the OAL hearing, Nurse Ajadi testified for OCCO and Petitioner testified on her behalf. R-3, 4. Nurse Ajadi testified that she performed the assessment at the facility where Petitioner resides. R-3. Nurse Ajadi's assessment included an observation of Petitioner, asking Petitioner specific questions about the assistance she needed with activities of daily living (ADLs) and speaking with staff. Ibid. Nurse Ajadi explained that she observed that Petitioner was alert and oriented but did note Petitioner had short term memory because of her ability to only recall two out three words after five minutes. Ibid. Nurse Ajadi found that Petitioner did possess cognitive skills for daily living since she was able to communicate, recount her morning routine, moved easily around the facility, understood questions being asked, was able to identify her caregivers and able to leave the facility with her mother. Ibid. Lastly, Nurse Ajadi explained that Petitioner was independent with ADLs to include eating, dressing upper and lower body, transferring, bed mobility and toileting. Nurse Ajadi also explained that she observed Petitioner's movement in bed and was able to reposition herself from lying down to sitting up on her own. Ibid. Petitioner testified that she does not have a place to live and that she is sick with throat and stomach problems and that it hurts when she walks. R-4.

In the Initial Decision, the ALJ found that Petitioner did not exhibit cognitive or medical impairments that would require nursing facility services. Ibid. The ALJ also found that Petitioner was able to communicate, respond to the questions asked and identify her caregivers. Ibid. In addition, the ALJ found that Petitioner was able to perform all of the ADLs independently to include eating, dressing, toileting, brushing her teeth, transferring

and walking with the use of a walker. Ibid. The ALJ did note that Petitioner did need assistance with bathing. Ibid. The ALJ also found that while Petitioner argues that she needs to remain at the facility because she has no place to live and suffers with throat and stomach problems, Petitioner has failed to provide any testimony or documentation that shows these ailments interfered with her ability to function. ID at 5. Based on a review of the evidentiary record, the ALJ concludes that Petitioner has not demonstrated that she is cognitively or medically impaired and dependent on others for ADLs to qualify for nursing facility services and therefore was not clinically eligible for nursing facility services at the time of OCCO's denial. Ibid.

Thus, for the reasons set forth above and those contained in the Initial Decision, I hereby ADOPT the Initial Decision in this matter.

THEREFORE, it is on this 28th day of JULY 2026,

ORDERED:

That the Initial Decision is hereby ADOPTED.

Gregory Woods

Gregory Woods, Assistant Commissioner
Division of Medical Assistance and Health Services