

This matter arises from Hudson County Department of Family Services' (Hudson County) October 30, 2023, termination of benefits due to Petitioner's voluntary withdraw. The Administrative Law Judge (ALJ) used a form decision template and checked the box that stated, "I FIND that petitioner did not provide all the necessary documentation under N.J.A.C. 10:71-2.2(e) and -2.3(a), and that no exceptional circumstances exist under N.J.A.C. 10:71-2.3(c); therefore, I CONCLUDE that the Medicaid Only application must be DENIED under N.J.A.C. 10:71-2.2(e)." ID at 2. In the Statement of the Case section of the initial decision, the ALJ wrote, "Respondent denied petitioner's Medicaid Only application for failure to provide the following evidence of eligibility under N.J.A.C. 10:71-2.2(e): The petitioner voluntarily withdrew his application for Medicaid under 42 CFR 155.302(b)(4)(A)." Ibid. In the Additional Findings of Fact/Conclusions of Law section of the initial decision, the ALJ wrote:

On or about October 30, 2023, the petitioner received notification that his benefits would be terminated effective November 30, 2023, because he voluntarily withdrew under 42 CFR 155.302(b)(4)(A). He continued to receive benefits while the appeal was pending.

During the trial M.M. admitted that he voluntarily withdrew his coverage but later filed the appeal because he needed and wanted to continue benefits. Although he made a mistake in voluntarily withdrawing his coverage, this is not an exceptional circumstance under N.J.A.C. 10:71-2.3(c). Therefore, the benefits should be terminated under this application, but this does not preclude him from reapplying.

ID at 4. Lastly, in the Order section of the initial decision, the ALJ checked the box that states, "Petitioner's Medicaid Only application is DENIED under N.J.A.C. 10:71-2.2(e).

ID at 5. N.J.A.C. 10:71-2.2(e) states:

(e) As a participant in the application process, an applicant shall:

1. Complete, with assistance from the CWA if needed, any forms required by the CWA as a part of the application process;
2. Assist the CWA in securing evidence that corroborates his or her statements; and

3. Report promptly any change affecting his or her circumstances.

The evidence admitted into the record shows that on October 30, 2023, Hudson County sent Petitioner a letter terminating his benefits with the reason listed as "Voluntarily Withdrew." (R-1). This letter stated that the effective date of termination would be November 30, 2023. Ibid. On December 1, 2023, the day after the effective date of termination, Petitioner faxed the DMAHS Fair Hearing unit to appeal the termination. Ibid.

While the record is unclear why the ALJ chose to use the form "Failure to Verify Eligibility" decision template, or why language is included stating that Hudson County denied an application for failure to provide, the Initial Decision makes clear that during the fair hearing, Petitioner admitted that he voluntarily withdrew his coverage. ID at 4. In conclusion, the ALJ ordered that Petitioner's Medicaid Only application be denied under N.J.A.C. 10:71-2.2(e). ID at 5. I agree.

Petitioner informed Hudson County that he wanted to voluntarily withdraw from the program. After the effective date of the termination, Petitioner filed an appeal because he made a mistake and decided he needed and wanted to continue his benefits. Hudson County took the appropriate steps in terminating Petitioner's benefits after receiving Petitioner's request to voluntarily withdraw from the program. None of the above prohibits Petitioner from reapplying for benefits, if necessary.

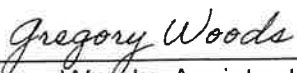
Thus, for the reasons set forth above and those contained in the Initial Decision, I hereby ADOPT the Initial Decision in this matter, insofar as they relate to Petitioner being terminated due to voluntarily withdrawing from the Medicaid program. However, I disagree with the determination that this termination for voluntary withdraw case constituted a final decision not subject to further review. Such treatment is limited to specific circumstances, including failure to provide requested information, excess

resources, or excess income cases. Therefore, absent one of these three exceptions, all cases must be handled in accordance with the standard established for the fair hearing process. N.J. Stat §52:14B-10.

THEREFORE, it is on this 25th day of AUGUST, 2026,

ORDERED:

That the Initial Decision is hereby ADOPTED.



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