



State of New Jersey
OFFICE OF ADMINISTRATIVE LAW

INITIAL DECISION

OAL DKT. NO. HMA 08819-26

M.P.,

Petitioner,

v.

**HUDSON COUNTY DEPARTMENT OF
FAMILY SERVICES,**

Respondent.

M.P., petitioner, pro se

Bijal Shah, HSS II, for respondent, pursuant to N.J.A.C. 1:1-5.4(a)3

Record closed: August 6, 2026

Decided: August 6, 2026

BEFORE **THOMAS R. BETANCOURT**, ALJ:

STATEMENT OF THE CASE AND PROCEDURAL HISTORY

Petitioner, M.P., appealed the decision by respondent, the Hudson County Department of Services (Agency) terminating Medicaid. The Agency based their decision on petitioner's failure to timely provide requested information. Petitioner requested a Fair Hearing.

The Division of Medical Assistance and Health Services transmitted the matter to the Office of Administrative Law as a contested matter where it was filed on May 27, 2026. A hearing was held on August 6, 2026, whereupon the record was closed.

FINDINGS OF FACT

Based on the evidence presented at the hearing as well as on the opportunity to observe the witnesses and assess their credibility, I **FIND** the following:

1. Petitioner received a Request for Information from respondent dated May 16, 2025, requesting various items, including information regarding various Chase bank accounts and transfers between the same. (Shah testimony, Ex. C)
2. Petitioner failed to timely provide the requested information and was terminated for that reason by letter from respondent dated October 6, 2025. (Shah testimony, Ex. A)
3. Petitioner, in his testimony, confirmed that he was not timely in his submission of information. He testified that he submitted "all" documents on December 1, 2025. (Petitioner testimony)
4. Petitioner, while stating he submitted "all" documents on December 1, 2025, did not provide any copies of what was submitted.
5. Petitioner did not timely respond to the request for information.

LEGAL ANALYSIS AND CONCLUSION

The Medicaid program is a cooperative federal-state venture established by Title XIX of the Social Security Act. 42 U.S.C.A. §1396 et seq. (the Medicaid Act). It "is designed to provide medical assistance to persons whose income and resources are insufficient to meet the costs of necessary care and services." L.M. v. Division of Medical Assistance & Health Services, 140 N.J. 480, 484 (1995) quoting Atkins v.

Rivera, 477 U.S. 154, 156, 106 S. Ct. 2456, 91 L.Ed. 2d 131 (1986) See Mistrick v. Division of Medical Assistance & Health Services, 154 N.J. 158, 165 (1998).

Although a State's participation in the Medicaid program is optional, those that elect to participate must comply with the requirements imposed by the Medicaid Act and the regulations adopted by the Secretary of the United States Department of Health and Human Services (HHS). Harris v. McRae, 448 U.S. 297, 301, 100 S. Ct. 2671, 65 L. Ed. 2d 784 (1980); Mistrick, *supra*, 154 N.J. at 166. In exchange for administering a Medicaid program developed in accordance with the parameters dictated by federal law and regulations, the federal government contributes financial assistance to defray part of the costs of providing certain medical services. Bergen Pines Hosp. v. Dept. of Human Services, 96 N.J. 456, 462 (1984). A participating State must devise and submit a State plan for approval by the Secretary of HHS. 42 U.S.C.A. §1396a. That plan must, among other things, comply with the provisions of the Medicaid Act governing the transfer of assets and the treatment of certain trusts and include reasonable standards ... for determining eligibility for and the extent of medical assistance under the plan which ... are consistent with the objectives" of the Medicaid Act. 42 U.S.C.A. §1396a(a)(17)(A); 42 U.S.C.A. §1396a(a)(18). An individual will be entitled to receive Medicaid benefits if he fulfills the criteria established by the State in which he lives. Schweiker v. Gray Panthers, 453 U.S. 34, 36-37, 101 S. Ct. 2633, 2636, 69 L. Ed. 2d 460, 465 (1981).

New Jersey has elected to participate in the Medicaid program through the enactment of the New Jersey Medical Assistance and Health Services Act, N.J.S.A. 30:4D-1 to -19.1. As permitted by the Medicaid Act, New Jersey has opted to provide Medicaid coverage to "optionally categorically needy" individuals receiving long term care in a medical institution through the Medicaid Only program. Mistrick, *supra*, 154 N.J. at 167. Consistent with the recognized policy that Medicaid is designed for needy individuals, the Legislature has directed that Medicaid benefits "shall be last resource benefits notwithstanding any provisions contained in contracts, wills, agreements or other instruments." N.J.S.A. 30:4D-2.

The Secretary of the HHS, through the Health Care Financing Administration (HCFA), administers the Medicaid program at the federal level and the DMAHS, within

the Department of Human Services, is the designated administrating agency for the Medicaid program in New Jersey. N.J.S.A. 30:4D-5; N.J.A.C. 10:71-2.2(a). Pursuant to the rulemaking authority granted by statute (N.J.S.A. 30:4D-7), the Commissioner of the Department of Human Services has adopted regulations governing participation in the Medicaid Only program including income and resource eligibility standards. N.J.A.C. 10:71-1.1 to -9.5. The county boards of social services assist in the administration of the New Jersey Medicaid program by processing applications for Medicaid benefits and, in connection therewith, determining whether an applicant meets the financial eligibility requirements. N.J.A.C. 10:71-3.15(a).

The resource criteria and eligibility standards apply to all applicants and recipients, and participation in the Medicaid Only program must be denied or terminated if an individual's resources exceed certain prescribed limits. N.J.A.C. 10:71-4.1(a); N.J.A.C. 10:71-4.5(c) and (d). Resource eligibility is generally determined as of the first moment of the first day of each month. N.J.A.C. 10:71-4.1(e); N.J.A.C. 10:71-4.5(a)1. A resource is defined as any real or personal property which is owned by the applicant. . . and which could be converted to cash to be used for his/her support and maintenance. N.J.A.C. 10:71-4.1(b). Unless specifically excluded, all liquid and nonliquid resources are considered countable in the determination of Medicaid Only eligibility. N.J.A.C. 10:71-4.1(b); N.J.A.C. 10:71-4.2(a). The nature of resources that qualify as an excludable resource is limited. See N.J.A.C. 10:71-4.4. Among the specified excludable resources are the individual's home and "[t]he value of resources which are not accessible to an individual through no fault of his or her own" including, without limitation, "irrevocable trust funds." N.J.A.C. 10:71-4.4(b)1 and 6. See 42 U.S.C.A. §1382b.

In order to be considered in the determination of Medicaid eligibility the resource must also be "available." 42 U.S.C.A. §1396a(a)(17)(B); N.J.A.C. 10:71-4.1(c). A resource is considered available to an individual when [t]he person has the right, authority, or power to liquidate real or personal property, or his or her share of it or if, in accordance with the provisions of N.J.A.C. 10:71-4.6, the resource is deemed available to individual. N.J.A.C. 10:71-4.1(c)1 and 2.

Petitioner did not timely provide requested information rendering Respondent unable to determine Petitioner's financial eligibility.

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 CSSA if needed, any forms required by the CSSA as a part of the application process;
2. Assist the CSSA in securing evidence that corroborates his or her statements; and
3. Report promptly any change affecting his or her circumstances.

See also 42 CFR 435.952.

I **CONCLUDE** that the petitioner is not entitled to Medicaid benefits services as he failed to timely respond to the Request for Information. N.J.A.C. 10:71-2.2(e).

ORDER

Based upon the foregoing, I **ORDER** that the termination of Medicaid benefits to petitioner is hereby **AFFIRMED**.

I hereby **FILE** my initial decision with the **DIRECTOR OF THE DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES** for consideration.

This recommended decision may be adopted, modified or rejected by the **DIRECTOR OF THE DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES**, the designee of the Commissioner of the Department of Human Services, who by law is authorized to make a final decision in this matter. If the Director of the

Division of Medical Assistance and Health Services does not adopt, modify or reject this decision within forty-five days and unless such time limit is otherwise extended, this recommended decision shall become a final decision in accordance with N.J.S.A. 52:14B-10.

Within thirteen days from the date on which this recommended decision was mailed to the parties, any party may file written exceptions with the **DIRECTOR OF THE 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.

August 7, 2026

DATE

THOMAS R. BETANCOURT, ALJ

Date Received at Agency:

Mailed to Parties:

db

APPENDIX

List of Witnesses

For Petitioner:

M.P., petitioner

For Respondent:

Bijal Shah, HSS II

List of Exhibits

For Petitioner:

None

For Respondent:

R-1 Respondent packet including Exhibits A through D



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Bijal Shah, HSS II

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