



State of New Jersey
OFFICE OF ADMINISTRATIVE LAW

INITIAL DECISION

OAL DKT. NO. HMA 09626-26

AGENCY DKT. NO. N/A

M.W.,

Petitioner,

v.

UNION COUNTY BOARD OF

SOCIAL SERVICES,

Respondent.

Eliyahu Pekier, Esq., for petitioner, (Law Office of Simon P. Werchberger, LLC)

Yesmin Diaz, Esq., Assistant County Counsel, for respondent

Record Closed: July 30, 2026

Decided: August 17, 2026

BEFORE, **GERARD HUGHES, ALJ:**

STATEMENT OF THE CASE

Petitioner, M.W., failed to provide respondent, Union County Board of Social Services (Union County), a County Social Service Agency (CSSA), with information for her Medicaid application regarding her life insurance policies, despite three requests for information (RFIs) seeking this information. Must Union County deny the application?

Yes. A CSSA must deny an application when an applicant fails to provide requested information. Medicaid Communication 22-04 (May 3, 2022).

PROCEDURAL HISTORY

On October 23, 2025, M.W. applied for Aged, Blind, and Disabled (ABD) Medicaid nursing home coverage.

On April 29, 2026, Union County denied the application for failure to provide verifications, and M.W. requested a fair hearing.

On June 8, 2026, the Division of Medical Assistance and Health Services (DMAHS) transmitted this case to the Office of Administrative Law as a contested case under the Administrative Procedure Act, N.J.S.A. 52:14B-1 to -15, and the act establishing the office, N.J.S.A. 52:14F-1 to -23, for a hearing under the Uniform Administrative Procedure Rules, N.J.A.C. 1:1-1.1 to -21.6.

On July 30, 2026, I conducted the hearing and closed the record.

FINDINGS OF FACT

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

M.W. resides at the Adroit Care Nursing Facility.

On October 23, 2025, M.W., through her Designated Authorized Representative, Tzipora Kilberg, applied for ABD Medicaid.

On December 5, 2025, Union County sent Kilberg an RFI, requesting certain information by December 19, 2025, including Santander bank statements from April 2021

through October 2025 and a list of all life insurance policies owned by M.W. with their policy number, face value, term, and cash value.

On December 19, 2025, Kilberg responded to the RFI. She identified life insurance policies from Savings Bank Life Insurance (SBLI) and United of Omaha (Omaha) but did not provide the specific information requested for each policy. Kilberg, however, did provide a letter from SBLI, dated July 16, 2024, which states that a policy held by M.W. has lapsed because the premium was not paid in full. Kilberg provided responses to all the other items requested by Union County.

The Santander bank statements show a recurring insurance premium of \$183.62, which is paid to Omaha every month, and a one-time insurance premium payment of \$73.24, which was paid to SBLI in September 2025, after the date SBLI had stated that the policy lapsed.

On January 21, 2026, Union County sent Kilberg a second RFI, requesting information by February 4, 2026. Among other items, Union County requested bank statements showing where M.W.'s social security income was deposited going back to October 2020 and specific information about the SBLI and Omaha life insurance policies. For each policy, Union County requested a letter from the insurance company listing the policy number, monthly premium, owner, insured, face value, cash value, and beneficiary as of October 1, 2025.

On February 4, 2026, Kilberg provided two responses to the second RFI. In the first response, Kilberg provided an email from SBLI confirming receipt of the one-time \$73.24 payment but stating that the policy was not made active and there is no existing coverage. Kilberg also provided a letter from Omaha that lists the owner, type of insurance, current face amount, and net surrender value of M.W.'s policy #2544 as of December 24, 2025. In the second response, Kilberg listed for the first time additional life insurance policies, including CMFG, Colonial Penn, Globe, Lincoln Heritage, Foresters, Occidental, Pioneer American, Lumico, Accendo, and GWIC Wellabe. M.W.'s bank accounts show multiple payments being made to these insurance companies. Kilberg stated that all the policies were inactive and that she had already provided

information for Omaha, which was the only active account. Kliberg, however, did not provide any verifications that the newly listed insurance policies were inactive. Kilberg provided responses to all the other items requested by Union County.

On March 17, 2026, Union County sent Kilberg a third RFI, requesting the following information by March 31, 2026: (1) a letter from Omaha stating the monthly premium and cash value for policy #2544 as of October 1, 2025, as the previous letter reflected values as of December 24, 2025; (2) a letter from SBLI listing specific information about the policy, as the previous email was insufficient; (3) a letter from each life insurance company listing all policies owned by M.W. with the type of insurance, policy number, monthly premium, owner, insured, face value, cash value and beneficiary as of October 1, 2025; and (4) a copy of the death certificate for M.W.'s husband.

Regarding the life insurance policies, Union County stated that M.W.'s bank statements show her paying the following premiums:

- Foresters \$62.49
- Great Western Insurance Company \$128.19
- Accendo \$59.54
- Accendo \$108.50
- TruStage CMFG Life \$108.20
- Colonial Penn Life \$124.08
- Occidental Life \$176.62
- Occidental Life \$121.22
- United of Omaha \$102.44
- United Mutual of Omaha \$93.41
- United Mutual of Omaha \$183.62
- Lumico Life \$153.36
- Pioneer American \$113.26
- Lincoln Heritage \$81.80
- Globe Life \$148.99
- Globe Life \$175.98

- Globe Life \$156.97
- Globe Life \$129.98
- Globe Life \$102.99
- Globe Life \$156.97

Union County requested information specific to each amount listed, including different amounts paid to the same insurance company.

On March 31, 2026, Kilberg responded to the third RFI. For item 1, Kilberg provided a letter from Omaha, which states the cash value and surrender value of policy #2544 as of October 1, 2025. For item 2, Kilberg provided a letter from SBLI stating that the policy was terminated effective September 17, 2025, and has no cash value. For item 3, Kilberg provided the following documents:

- a letter from Foresters listing all the requested information including a cash surrender value of \$505.44, dated September 29, 2025, which is prior to the date of M.W.'s Medicaid application
- a letter from Great Western Insurance Company stating that M.W.'s policy no longer exists and has no cash surrender value
- multiple letters from Accendo listing four policies, all of which have expired and have no cash value
- a facsimile message from TruStage stating that M.W.'s policy no longer exists and has no surrender value
- a letter from Colonial Penn Life listing most of the requested information including a cash surrender value of \$692.31, dated October 17, 2025, which is prior to the date of M.W.'s Medicaid application
- a letter from American Amicable Life, which is affiliated with Occidental Life and Pioneer American according to the footer on the letter, which provides the requested information for three policies, two of which match the premiums paid to Occidental Life but none matching the premium paid to Pioneer American, stating that all policies are terminated and have no surrender value

- a letter from Lumico stating that they could not process the request because the policy is inactive
- a letter from Lincoln stating that the policy has lapsed and has no surrender value
- a letter from Globe Life stating that M.W.'s policy has lapsed and has no surrender value

In response to item 4, Kilberg stated that she could not obtain the death certificate but was instead providing a letter from the United States Department of Veterans Affairs stating that M.W. was receiving a death benefit because her veteran husband passed away on May 2, 1987.

In her response to the third RFI, Kilberg also explained the efforts she had made to obtain information from the various insurance companies. Kilberg stated that she requested all the information from the insurance companies and was providing whatever information the companies sent her. In fact, Kilberg had sent correspondence to most of the insurance companies requesting the current cash and face values of all policies in M.W.'s name as well as verification if any policies had been closed. For Omaha, however, Kilberg only requested information about policy #2544 as it was explicitly referenced in item 1 of the third RFI.

For Pioneer American, Kilberg did not provide any verification that addressed the premium amount. Kilberg, however, did submit at the hearing a letter from American Amicable Life matching the Pioneer American premium amount and stating that the policy had terminated. Nevertheless, Kilberg did not include this letter in her response to the third RFI, despite its being dated prior to the response.

Kilberg also stated in her response to the third RFI that premium amounts sometimes change and companies do not always give premium information for five years. Moreover, Kilberg asked Union County to reach out to her and grant an extension if any more information was needed.

On April 29, 2026, Union County denied M.W.'s application for failing to provide verifications concerning the following premiums:

- United of Omaha \$102.44
- United Mutual of Omaha \$93.41
- United Mutual of Omaha \$183.62
- Pioneer American \$113.26
- Globe Life \$148.99
- Globe Life \$175.98
- Globe Life \$156.97
- Globe Life \$129.98
- Globe Life \$102.99

Union County stated that these payments indicate policies held by M.W. but explained that its personnel could not determine which policy correlated to which premium because the verifications did not include these premium amounts. Union County also explained that its personnel could not assess the value of these policies or determine whether they were active. While it stated the reason M.W.'s application was denied in the denial letter, Union County did not include a regulatory citation supporting this determination as the section containing that citation was cut off from the letter.

CONCLUSIONS OF LAW

An applicant for Medicaid is required to complete with assistance from the CSSA any forms required as part of the application process, assist the CSSA in obtaining evidence that corroborates statements in the application, and report promptly any change in circumstances. N.J.A.C. 10:71-2.2(e). The CSSA also bears responsibility in the application process to inform applicants about the application process, receive applications, assist applicants in exploring eligibility for assistance, inform applicants about appropriate available resources and assist with their use, and assure the prompt and accurate submission of eligibility data for eligible persons and prompt notification to ineligible persons of the reasons for their ineligibility. N.J.A.C. 10:71-2.2(c).

A CSSA generally must determine eligibility for aged cases within 45 days and blind and disabled cases within 90 days. N.J.A.C. 10:71-2.3(a). In exceptional cases, applications may be continued in pending status when the delay resulted from (1) circumstances within the applicant's control, (2) a determination to afford the applicant a further opportunity to develop additional evidence, (3) an emergency that could not reasonably have been avoided, or (4) circumstances outside the control both the applicant and the CSSA. N.J.A.C. 10:71-2.3(c). A CSSA may send an additional RFI if the applicant's response to the initial RFI prompts the need for additional outreach. Medicaid Communication 22-04 (May 3, 2022).

A CSSA, however, must deny an application when an applicant fails to provide requested information. Id. Indeed, the CSSA may not accept further information after the denial letter and must direct the applicant to re-apply. Id. Toward this end, the denial letter must include a legal citation. Id.

In this case, Union County attempted to include the legal citation in its denial letter. The legal citation, however, was cut off. Nevertheless, Union County plainly advised M.W. that her application was denied for failure to provide verifications and described what information was missing. As such, M.W. was fully aware of the basis for Union County's decision and was fully apprised of the opportunity to appeal this decision.

More significantly, M.W. failed to provide all requested information concerning her life insurance policies despite three RFIs. In her response to the first RFI, Kilberg listed only two life insurance policies, Omaha and SBLI, when Foresters and Colonial Penn Life had already confirmed the existence of other policies. In response to the second RFI, Kilberg listed numerous other policies but stated that none was active, when both the Foresters and Colonial Penn Life policies were active and had cash surrender values. In response to the third RFI, Kilberg simply failed to provide all requested information. Although Union County requested information about several different premium payments to Omaha, Kilberg only sought information from Omaha about policy #2544 and provided only that information to Union County. Kilberg also did not provide information about the

Pioneer American policy, even though this information was provided at the hearing and was apparently available to Kilberg when she responded to the third RFI.

Given this discussion of the law, I **CONCLUDE** that none of the circumstances constitute any of the exceptional cases enumerated in N.J.A.C. 10:71-2.3(c), and that M.W. must reapply for Medicaid under Medicaid Communication 22-04 (May 3, 2022).

ORDER

Given my findings of fact and conclusions of law, I **ORDER** M.W.'s Medicaid application is **DENIED**.

I **FILE** this initial decision with the **ASSISTANT COMMISSIONER OF THE DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES**. This recommended decision is deemed adopted as the final agency decision under 42 U.S.C. § 1396a(e)(14)(A) and N.J.S.A. 52:14B-10(f). The **ASSISTANT COMMISSIONER OF THE DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES** cannot reject or modify this decision.

If you disagree with this decision, you have the right to seek judicial review under New Jersey Court Rule 2:2-3 by the Appellate Division, Superior Court of New Jersey, Richard J. Hughes Complex, PO Box 006, Trenton, New Jersey 08625. A request for judicial review must be made within 45 days from the date you receive this decision. If you have any questions about an appeal to the Appellate Division, you may call (609) 815-2950.

August 17, 2026

DATE



GERARD HUGHES, ALJ

Date Received at Agency:

Date Mailed to Parties:

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GH/am

APPENDIX

Witnesses

For Petitioner:

Tzipora Kilberg, Designated Authorized Representative

For Respondent:

Sandra Arevalo, Human Specialist 3

Exhibits

For Petitioner:

- P-1 Request for Information #1 and Response
- P-2 Request for Information #2 and Response
- P-3 Request for Information #2 and Response #2
- P-4 Request for Information #3 and Response
- P-5 Globe Life Request
- P-6 Pioneer American Request
- P-7 Pioneer American Closeout Letter
- P-8 Omaha Request
- P-9 Emails with the County

For Respondent:

- R-1 M.W.'s Medicaid Application
- R-2 Union County Denial Letter