



State of New Jersey

DEPARTMENT OF HUMAN SERVICES

Division of Medical Assistance and Health Services

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Commissioner

GREGORY WOODS
Assistant Commissioner

STATE OF NEW JERSEY
DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE
AND HEALTH SERVICES

T.R.,

PETITIONER,

v.

DIVISION OF MEDICAL ASSISTANCE

AND HEALTH SERVICES AND

OFFICE OF COMMUNITY CHOICE

OPTIONS,

RESPONDENTS.

ADMINISTRATIVE ACTION

FINAL AGENCY DECISION

OAL DKT. NO. HMA 01299-26

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. Neither party filed exceptions in this matter. Procedurally, the time period for the Agency Head to render a Final Agency Decision is July 6, 2026, in accordance with N.J.S.A. 52:14B-10 which requires an

Agency Head to adopt, reject, or modify the Initial Decision within 45 days of the agency's receipt.

This matter arises from the Division of Aging Services' (DoAS) November 20, 2025, denial of clinical eligibility under N.J.A.C. 10:166. (R-5). On November 19, 2025, a New Jersey Choice Assessment was conducted by registered nurse, Madonna Hill, R.N., at the facility where Petitioner resided. ID at 3. As a result, the Office of Community Choice Options (OCCO) determined that Petitioner was ineligible for nursing home level of care finding that Petitioner was not cognitively impaired or dependent on physical assistance with three or more Activities of Daily Living (ADL). (R-5). The Initial Decision upheld the denial as the Administrative Law Judge (ALJ) found that Petitioner had not established, by a preponderance of the evidence, that Petitioner satisfied the clinical criteria for Medicaid. ID at 6.

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 [nursing facility] NF services described in N.J.A.C. 8:85-2.2." 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.

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 individuals:

- 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.¹

Here, Petitioner’s diagnoses include peripheral vascular disease, phantom limb pain and type 2 diabetes mellitus with neuropathy unspecified. ID at 2. The nursing assessment noted that Petitioner performed all ADLs independently including eating, bathing, personal hygiene, dressing upper/lower body, transfers, toileting and locomotion, despite the use of a wheelchair. (R-4). Petitioner was also alert and oriented to person, place, time, and situation. Ibid. He recalled his medical history. Ibid. It was determined that his memory was not impaired as evidenced by his ability to recall three out of three unrelated objects. Ibid.

During the fair hearing Petitioner testified that his left leg was amputated in October 2023 and he had a triple heart bypass in February 2024. ID at 4. He also stated that he is blind in his right eye and insulin dependent and needs help with his medication.

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

Ibid.

In the Initial Decision the ALJ found that although Petitioner has an above-knee amputation to his left leg, he is independent in all ADLs and therefore his condition does not fall within any of the criteria listed in N.J.A.C. 8:85-2.1 to establish clinical eligibility for nursing home level of care. ID at 6. Therefore, the Initial Decision upheld OCCO's determination that Petitioner is not entitled to NF services because Petitioner did not meet the clinical criteria for Medicaid at the time of OCCO's denial. Ibid.

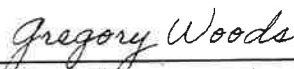
I concur with the ALJ's determination that according to the evidence presented, Petitioner does not meet the clinical criteria for Medicaid as outlined in N.J.A.C. 10:166-2.1 or the New Jersey FamilyCare Comprehensive Demonstration.

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 25th day of JUNE, 2026,

ORDERED:

That the Initial Decision is hereby ADOPTED.



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