



State of New Jersey

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

CHRIS CHRISTIE
Governor

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ELIZABETH CONNOLLY
Acting Commissioner

KIM GUADAGNO
Lt. Governor

MEGHAN DAVEY
Director

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

G.O.

PETITIONER,

v.

DIVISION OF MEDICAL ASSISTANCE
AND HEALTH SERVICES AND
HUDSON COUNTY BOARD OF
SOCIAL SERVICES,
RESPONDENTS.

ADMINISTRATIVE ACTION

ORDER OF REMAND

OAL DKT. NO. HMA 03950-16

As Director of the Division of Medical Assistance and Health Services, I have reviewed the record in this matter, consisting of the Initial Decision, the documents in evidence and the entire contents of the OAL case file. Neither Party filed exceptions. Procedurally, the time period for the Agency Head to file a Final Agency Decision is February 23, 2017 in accordance with an Order of Extension. The Initial Decision was received on November 23, 2016.

This matter concerns the February 22, 2016 denial of Petitioner's Medicaid application due to the failure to provide requested verifications and because the available information showed Petitioner exceeded the resource standards for Medicaid.

On or about December 28, 2015, Petitioner filed an application for Medicaid with the Hudson County Board of Social Services (HCBSS). During the application process, it was disclosed that Petitioner owned a home at Three Marsh Street in Cranford, New Jersey. The property was subject to a reverse mortgage with a balance of \$233,379.61. The value of the property, based on the New Jersey Table of Equalized Values, was determined to be \$259,331.54. However, Petitioner retained a certified appraiser who valued the property at \$215,000.

The first issue addressed at the Office of Administrative (OAL) hearing was whether or not Petitioner supplied the CWA with the information it requested. Testimony at the hearing suggests that HCBSS requested an opening and closing letter from Wells Fargo regarding the account ending in 2361 and a copy of the reverse mortgage contract. However, the record below does not contain any official requests from HCBSS that clearly outline the information required of Petitioner. As such, a determination cannot be made with regard to whether or not Petitioner provided HCBSS with the information requested. That said, the fact that Petitioner's Wells Fargo account has a zero balance, rather than being closed, is not, in and of itself, determinative of Petitioner's eligibility.

The second issue addressed at the OAL hearing was whether the value of the property located at Three Marsh Street resulted in excess resources and a denial of Medicaid eligibility. The ALJ is correct to note that the property

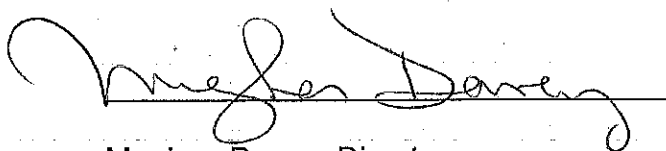
valuation conducted by certified appraiser Barilla is a more accurate determination of the value of the property at Three Marsh Street. I AGREE with the ALJ that HCBSS should consider Barilla's appraisal when determining Petitioner's Medicaid eligibility. I note that the appraisal was not conducted or made available to HCBSS prior to the February 22, 2016 denial and was therefore not part of HCBSS' decision to deny Petitioner's Medicaid application. I note also that a determination with regard to the value of Petitioner's property is not conclusive of Petitioner's resource or Medicaid eligibility.

Thus, I FIND that Hudson County should process Petitioner's application to determine if he was eligible for Medicaid benefits. This Final Agency Decision should not be construed as making any findings regarding Petitioner's eligibility.

THEREFORE, it is on this 7th day of FEBRUARY 2017,

ORDERED:

That the Initial Decision is hereby ADOPTED and HCBSS should substitute the appraised value of Petitioner's home for the fair market value of the property. However, as noted above, this determination is not dispositive of Petitioner's Medicaid eligibility and therefore this matter is RETURNED to Hudson County to process Petitioner's eligibility in accordance with this Final Agency Decision.

A handwritten signature in black ink, appearing to read "Meghan Davey", is written over a horizontal line.

Meghan Davey, Director
Division of Medical Assistance
and Health Services