



**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**

M.E.,

PETITIONER,

v.

DIVISION OF MEDICAL ASSISTANCE

& HEALTH SERVICES &

SOMERSET COUNTY BOARD OF

SOCIAL SERVICES,

RESPONDENTS.

**ADMINISTRATIVE ACTION**

**FINAL AGENCY DECISION**

**OAL DKT. NO. HMA 12950-2016**

As Director of the Division of Medical Assistance and Health Services, I have reviewed the record in this case, including the Initial Decision, the OAL case file and the documents filed below. No exceptions were filed in this matter. Procedurally, the time period for the Agency Head to file a Final Agency Decision is May 1, 2017, in accordance with an Order of Extension.

Petitioner was denied Medicaid benefits through a letter issued in May 2015. Somerset County contends Petitioner was ineligible for the NJ Workability program because he was admittedly not working.<sup>1</sup> He is likewise not eligible for any other Medicaid program due to his income or his receipt of Medicare. ID at 2.

The Initial Decision reversed the termination and found Petitioner eligible under the Affordable Care Act (ACA) Medicaid expansion. The regulations for this program establish a new method for counting income based upon an applicant's Modified Adjusted Gross Income (MAGI). The countable income for MAGI is gross income according to the Internal Revenue Service Code. See 42 CFR § 435.603. Since MAGI methodology is based on the Internal Revenue Code, household compositions are identified as either tax filing or non-tax filing, with corresponding regulations governing each. 42 CFR § 435.603(f). In 2016 the income limit was \$1,367. Petitioner's income is \$1,184. ID at 4.

While Petitioner's income is below the limit for the Medicaid expansion population, Somerset County correctly pointed out that Petitioner is ineligible due to his receipt of Medicare benefits. R-1. Pursuant to 42 CFR § 435.119(b)(3), Medicaid expansion can only cover individuals who "[a]re not entitled to or enrolled for Medicare benefits under part A or B of title XVIII of the Act." As Petitioner is receiving Medicare benefits, he cannot be found eligible for Medicaid expansion.

Based on my review of the record and the correct law, I FIND that Petitioner is not eligible for Medicaid benefits. Thus, I REVERSE the Initial Decision.

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<sup>1</sup> By submitting P-7, which the Initial Decision found to be hearsay, Petitioner now appears to be seeking eligibility under NJ Workability. However, his application dated June 2016 and the subject of this hearing states he is unemployed. R-1. Petitioner has the right to reapply for benefits.

THEREFORE, it is on this <sup>5<sup>th</sup></sup> day of MAY 2017,

ORDERED:

That the Initial Decision is hereby REVERSED.

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

Meghan Davey, Director  
Division of Medical Assistance  
and Health Services