

PHILIP D. MURPHY Governor

SHEILA Y. OLIVER Lt. Governor

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES
PO Box 712
TRENTON, NJ 08625-0712

CAROLE JOHNSON Commissioner

MEGHAN DAVEY

Director

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

M.F.,

PETITIONER,

**ADMINISTRATIVE ACTION** 

V.

**FINAL AGENCY DECISION** 

**DIVISION OF MEDICAL ASSISTANCE:** 

OAL DKT, NO. HMA 10624-2018

AND HEALTH SERVICES AND

BERGEN COUNTY BOARD OF

SOCIAL SERVICES.

RESPONDENTS.

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 Decision is November 5, 2018 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 receipt. The Initial Decision was received on September 19, 2018.

The matter arises regarding the determination that Petitioner was subject to a transfer penalty. Bergen County found that Petitioner has transferred \$16,605.40. This

amount represents funds paid in December 2017 to his son after Petitioner's home in Pennsylvania sold in September 2017. Petitioner was found eligible as of February 1, 2017. At the redetermination in late 2017, Petitioner disclosed that the Pennsylvania home had sold, he paid off two loans and "disbursed funds." ID at 2. His benefits were then terminated due to excess resources. After spending down, Petitioner was able to regain eligibility as of June 1, 2018 subject to a penalty period that ended on July 9, 2018. ID at 3.

The Initial Decision upholds the transfer penalty as Petitioner did not rebut the presumption that the transfer was done for the purpose of qualifying for Medicaid. N.J.A.C. 10:71-4.10(j). The transfer was done after Petitioner had begun receiving benefits. The Initial Decision found that there was no documentation to support that the transfer was done to repay a loan from 1996. In addition to the lack of documentation over this 20 year time period, Petitioner conveyed interest in the Pennsylvania home in 2010 to his daughter rather than his son to whom he allegedly owed a debt. The transfer was done so that if Petitioner died, the home would belong to the daughter which belies the contention that the loan would be repaid from the sale of the house. ID at 7.

Based upon my review of the record, I hereby ADOPT the Administrative Law Judge's recommended decision concluding that the Petitioner was properly assessed a penalty.

THEREFORE, it is on this day of OCTOBER 2018,

ORDERED:

That the Initial Decision is hereby ADOPTED.

Meghan Davey, Director

Division of Medical Assistance

and Health Services