

State of New Jersey

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

CAROLE JOHNSON Commissioner

JENNIFER LANGER JACOBS Assistant Commissioner

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

K.P.,

PETITIONER,	:
V.	: :
DIVISION OF MEDICAL ASSISTANCE	:
AND HEALTH SERVICES AND	:
BURLINGTON COUNTY BOARD OF	:
SOCIAL SERVICES,	:
RESPONDENTS.	:

ADMINISTRATIVE ACTION FINAL AGENCY DECISION OAL DKT. NO. HMA 1655-2019

As Assistant Commissioner 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 contents of the OAL case file. Respondent filed exceptions to the Initial Decision. Procedurally, the time period for the Agency Head to render a Final Agency Decision is August 22, 2019 in accordance with an Order of Extension.

Petitioner filed for her redetermination in November 2018. She provided her most recent paycheck stub and stated that she worked on average 25 hours a week at \$15.43 an hour. Using the biweekly paystub, Burlington County calculated her monthly income to be \$1,529.08 which exceeds the income standard of \$1,397 for an individual. As a result,

PHILIP D. MURPHY Governor

SHEILA Y. OLIVER L1. Governor Burlington County moved to terminate Petitioner's benefits. The notice Burlington County initially sent incorrectly stated her case was closed effective November 13, 2018 and cited the wrong federal regulation.

Based upon my review of the record, I hereby ADOPT the Initial Decision that Petitioner continues to be eligible for benefits. I agree with the Administrative Law Judge , (ALJ) that Burlington County could have calculated Petitioners income based on more recent pay stubs. However, I note that at the time of redetermination, the information provided by Petitioner indicated her hours had increased which would have rendered her ineligible. Petitioner claimed she worked on average 25 hours a week. The pay stub also showed an increase in hours. Nothing was presented at the time to show this information was an anomaly.

The Affordable Care Act regulations 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. Additionally, 42 CFR § 435.603(h)(3) permits the agency to adopt " a reasonable method ... to account for a reasonably predictable increase or decrease in future income . . . as evidenced by a clear history of predictable fluctuations in income, or other clear indicia of such future changes in income." Petitioner's prior eligibility is not an indicator of continued eligibility. Medicaid requires that annual redeterminations are performed as well as recipients notifying the eligibility agency of any changes in circumstances. N.J.A.C. 10:78-8.3; N.J.A.C. 10:78-2.6; N.J.A.C. 10:78-6.1. See also 42 CFR § 435.916 (a) and (d).

At the April 8, 2019 hearing, Petitioner supplied information that supported her claim that the paycheck was not representative of her earnings. The information included a paystub immediately following the one she had submitted and a copy of her W-2 earnings for 2018. I am satisfied that this information shows the paystub Petitioner originally

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submitted does not reflect her income. The new information provides Burlington County with more accurate information in order to project her income over the course of twelve months and to find her eligible.

THEREFORE, it is on this May of AUGUST 2019,

ORDERED:

That the Initial Decision is hereby ADOPTED as set for the above.

Jennifer Langer Jacobs, Assistant Commissioner Division of Medical Assistance and Health Services