

of \$33,379.84 to her son but did not contest the transfer. Petitioner filed a Medicaid application in June 2018. Beginning on June 21, 2018, Monmouth County requested additional information over the course of four letters regarding Petitioner's income and resources. R-1. As Petitioner's husband had died in 2014, they sought information about the estate as well as her receipt of Social Security and pension income as the surviving spouse.

The record shows Petitioner was over the \$2,000 resources standard for both June and July 2018. In August 2018, she began receiving her late husband's pension. This brought her income to \$2,252.11 or over the Medicaid income limit of \$2,250.¹ This required Petitioner to set up a Qualified Income Trust (QIT) which was done in September 2018. The Initial Decision found that Petitioner had not established eligibility prior to September 1, 2018. I agree with this but I note that the conclusion set forth in the Initial Decision requires that the date of eligibility be modified to October 1, 2018. For the reasons that follow, I hereby ADOPT the Initial Decision but MODIFY the eligibility date to be consistent with the legal and factual findings of the Initial Decision.

Petitioner received the three checks from the pension trust in August that totaled \$33,379.84. They were incorrectly deposited into Petitioner's QIT in September 21, 2018. A QIT is only permitted to receive income. Income is only considered "income" in the month it is received. N.J.A.C. 10:71-5.2(b)1. The unspent income in the following month counts towards resources. N.J.A.C. 10:71-4.1(c). The checks were available to Petitioner on September 1, 2018 and would count towards the \$2,000 income limit which renders her ineligible for that month. The Initial Decision correctly states that until Petitioner "spent down the back payments from [the] pension and funded the QIT with the monthly checks going forward, she had resources available to her in excess of the Medicaid financial eligibility limit." ID at 5. As she transferred the funds to her son in September, the earliest

¹ The Initial Decision incorrectly states the income limit is \$2,000 a month. That is the resource limit N.J.A.C. 10:71-4.4(b)3.

eligibility could be established would be October 1, 2018 so as to start the transfer penalty.

Thus, I hereby MODIFY the Initial Decision to set the correct date as for eligibility.

THEREFORE, it is on this 1st day of AUGUST 2019,

ORDERED:

That the Initial Decision is hereby ADOPTED in so far as Petitioner was not eligible prior to September 1, 2018; and

That the Initial Decision is MODIFIED to reflect the correct date of October 1, 2018.



Jennifer Langer Jacobs, Director
Division of Medical Assistance
and Health Services