

State of New Jersey

PHILIP D. MURPHY
Governor

SHEILA Y. OLIVER
Lt. Governor

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES
PO Box 712
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CAROLE JOHNSON

Commissioner

JENNIFER LANGER JACOBS
Assistant Commissioner

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

R.S.,

PETITIONER,

ADMINISTRATIVE ACTION

V

FINAL AGENCY DECISION

DIVISION OF MEDICAL ASSISTANCE:

E:

OAL DKT. NO. HMA 9131-2019

AND HEALTH SERVICES AND

BURLINGTON COUNTY BOARD OF

SOCIAL SERVICES.

RESPONDENTS.

As Assistant Commissioner for 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 render a Final Agency Decision is October 31, 2019 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 16, 2019.

The matter arises regarding the determination that Petitioner was no longer eligible for benefits based on paystubs she provided at redetermination. The February 15, 2019 pay stub showed gross income of \$1,711 biweekly which was multiplied by 2.167. As a

result, her gross income was determined to be \$3,708. The maximum income for a single adult is \$1,385. ID at 2.

The Affordable Care Act regulations establish a 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). Petitioner is considered a tax filer as her income exceeds the federal income tax filing threshold for single dependents was \$12,000. See 26 USC 6012(a)(1).

Medicaid eligibility is determined prospectively based on the information provided at the time of application or redetermination. The County Welfare Agencies (CWA) are required to estimate the income that will be available to the household unit. N.J.A.C. 10:78-4.2(a). The best estimate of income is "based on the average of the household unit's income for the full one-month period preceding the date of application or redetermination" and adjustments are made based on changes in income that have occurred or "which are reasonably anticipated to occur." N.J.A.C. 10:78-4.2(a). The MAGI method of income calculation, however, does not negate a state's responsibility to verify income or ensure that only eligible individuals receive benefits. 42 CFR §435.940.

Petitioner's income at the time of redetermination exceeded the maximum allowed. Her claim that she makes more money due to the holidays does not comport with the date on the pay stub. The pay period, which began January 31 and ended February 13, is not aligned with what is normally considered a holiday. Additionally, her claim that her average biweekly income averages \$800 to \$1,000 would also render her ineligible. ID at 2.

Based upon my review of the record, I hereby ADOPT the Administrative Law Judge's recommended decision. Petitioner has reapplied as her income changed in June 2019. However, at the time of redetermination she was not eligible.

THEREFORE, it is on this day of OCTOBER 2019,

ORDERED:

That the Initial Decision is hereby ADOPTED.

Jennifer Langer Jacobs, Assistant Commissioner

Division of Medical Assistance and Health Services