



State of New Jersey

DEPARTMENT OF HUMAN SERVICES

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

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SARAH ADELMAN
Acting Commissioner

JENNIFER LANGER JACOBS
Assistant Commissioner

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

E.S.,

PETITIONER,

v.

DIVISION OF MEDICAL ASSISTANCE

AND HEALTH SERVICES AND

MIDDLESEX COUNTY BOARD OF

SOCIAL SERVICES,

RESPONDENTS.

ADMINISTRATIVE ACTION

FINAL AGENCY DECISION

OAL DKT. NO. HMA 3372-2020

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. Neither party filed exceptions to the Initial Decision in this matter. Procedurally, the time period for the Agency Head to render a Final Agency Decision is September 9, 2021 in accordance with an Order of Extension.

The matter arises regarding the March 5, 2021 denial of Petitioner's January 28, 2021 Medicaid application. The application was denied due to failure to provide documentation regarding a Qualified Income Trust (QIT) that had been established for Petitioner. This information was sought as Petitioner received income from two sources- a private pension and Social Security- which exceeded the Medicaid income limit of \$2,382. R-B. The QIT had been established in February 2021. Middlesex County Board of Social Services (Middlesex County) requested statements from the QIT bank account to verify that Petitioner had funded the QIT. This documentation was not provided.

New Jersey permits applicants who had income in excess the Medicaid limit of 300% of the SSI Federal Benefit Rate (FBR) to place the excess income in a QIT and obtain Medicaid benefits. See 42 U.S.C. § 1396p(d)(4)(B). Medicaid Communication 14-15. By executing a written trust agreement, setting up the special bank account and depositing income into the account that income to be excluded when determining financial eligibility for Medicaid. By notice dated February 17, 2021, Middlesex County sought verification that Petitioner's income had been deposited into the QIT account "each and every month eligibility is needed." R-B. When none was forthcoming, the application was denied.

In upholding the denial, the Initial Decision determined that Petitioner failed to follow the QIT was funded with Petitioner's income. Both the County Welfare Agency (CWA) and the applicant have responsibilities with regard to the application process. N.J.A.C. 10:71-2.2. Applicants must complete any forms required by the CWA; assist the CWA in securing evidence that corroborates his or her statements; and promptly report any change affecting his or her circumstances. N.J.A.C. 10:71-2.2(e). The CWA exercises direct responsibility in the application process to inform applicants about the process, eligibility requirements, and their right to a fair hearing; receive applications; assist applicants in exploring their eligibility; make known the appropriate resources and services; assure the prompt accurate submission of data; and promptly notify applicants of eligibility or ineligibility. N.J.A.C. 10:71-2.2(c) and


(d). It appears that the QIT statements were provided to Middlesex County sometime in May 2021.¹ ID at 3. Those statements confirmed that Petitioner did not fund the QIT account as dictated by the terms of the trust. I agree that this prohibits eligibility as the failure to follow the terms of the trust causes Petitioner to exceed the income limit.

It has been noted that "Medicaid is an intensely regulated program." H.K. v. Div. of Med. Assistance & Health Servs., 184 N.J. 367, 380 (2005). DMAHS is obligated to administer New Jersey's Medicaid program in a fiscally responsible manner to ensure that the limited funds available are maximized for all program participants, Dougherty v. Dep't of Human Servs., Div. of Med. Assistance & Health Servs., 91 N.J. 1, 4-5 (1982); Estate of DeMartino v. Div. of Med. Assistance & Health Servs., 373 N.J. Super. 210, 217-19 (App. Div. 2004), certif. denied, 182 N.J. 425 (2005). Income eligibility must exist for each month where eligibility is sought. N.J.A.C. 10:71-5.1. There is no statutory or regulatory leeway to grant Medicaid benefits to those who are above the income limit. Thus, for the reasons set forth above, I hereby ADOPT the Initial Decision.

THEREFORE, it is on this ^{7th} day of SEPTEMBER 2021,

ORDERED:

That the Initial Decision is hereby ADOPTED.


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

¹ Those bank statements show that Petitioner deposited her income into the QIT in March 2021. I take notice that Petitioner was granted eligibility as of that month. Additionally, I note that Petitioner's bank account appears to exceed \$2,000 as of February 1, 2021 which would also prevent eligibility for that month. P-12