

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

SARAH ADELMAN Acting Commissioner

JENNIFER LANGER JACOBS
Assistant Commissioner

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

K.C.,

PETITIONER,

V

DIVISION OF MEDICAL ASSISTANCE:

AND HEALTH SERVICES AND:

MORRIS COUNTY DEPARTMENT:

OF FAMILY SERVICES:

RESPONDENTS.

ADMINISTRATIVE ACTION

FINAL AGENCY DECISION

OAL DKT. NO. HMA 05735-2020

As Assistant Commissioner for the Division of Medical Assistance and Health Services, I have reviewed the record in this case, including the Initial Decision and the Office of Administrative Law (OAL) case file. No exceptions were filed in this matter. Procedurally, the time period for the Agency Head to render a Final Agency Decision is June 17, 2021 in accordance with an Order of Extension.

This matter arises from the Morris County Department of Family Services' (County) January 21, 2020 determination that Petitioner was eligible for Medicaid benefits beginning on September 1, 2019. Petitioner, through her power of attorney (POA), J.L, appealed the

determination, asserting that an earlier eligibility date should be granted.¹ Based upon my review of the record, I hereby ADOPT the findings and conclusions of the Administrative Law Judge (ALJ).

N.J.A.C. 10:71-4.5(c) states that participation in the Medicaid Only program will be denied if the resources of an individual exceed \$2,000. Resource eligibility is determined as of the first moment of the first day of the month. 20 C.F.R. § 416.1207(a) and N.J.A.C. 10:71-4.1(e). Additionally, any resource that is not specifically excluded by regulation "shall be considered a countable resource for the purpose of determining Medicaid Only eligibility." N.J.A.C. 10:71-4.2(a). The undisputed evidence in the record indicates that at the time of Petitioner's first application in March 2019, Petitioner owned two life insurance policies with a cash value of over \$5,000, which was counted by the County in determining Petitioner's assets and placed Petitioner over the resource limit for benefits. Id. at 3. Because J.L. did not liquidate life insurance policies owned by Petitioner until August 9, 2019 and place the funds received into a New Jersey Pre-Paid Funeral Fund for Petitioner until August 22, 2019. the County denied Petitioner's first application and informed J.L. to reapply for benefits on Petitioner's behalf. Id. at 2. J.L. submitted Petitioner's second application on August 22. 2019. R-3. The County then granted Petitioner eligibility as of September 1, 2019, which was the first day of the first month in which Petitioner was resource eligibility after depleting the life insurance policies, pursuant to 20 C.F.R. § 416.1207(a) and N.J.A.C. 10:71-4.1(e). The eligibility procedure is clearly set forth in the regulations and there is simply no provision that permits a relaxation of the eligibility date so long as the countable resources exceed the maximum limit. Petitioner was not resource eligible prior to September 2019, and therefore,

¹ I note that J.L., in her summary that was admitted into evidence as Exhibit R-3, stated that she is appealing the denial of Petitioner's first application for Medicaid benefits, which was issued on August 12, 2019. However, J.L., on Petitioner's behalf, did not appeal that denial and instead, appealed the eligibility date provided in the County's January 21, 2020 letter granting Petitioner Medicaid eligibility as of September 1, 2019, which is the subject of present matter.

earlier eligibility cannot be provided in this matter.

Thus, for the reasons set forth in the Initial Decision and set forth above, I hereby ADOPT the Initial Decision in this matter. However, I note that Petitioner may be eligible for a deduction of her Pre-Existing Medical Expenses (PEME) from her income. <u>See</u> Medicaid Communication 18-10.

THEREFORE, it is on this 10th day of JUNE 2021,

ORDERED:

That the Initial Decision is hereby ADOPTED.

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