



State of New Jersey

DEPARTMENT OF HUMAN SERVICES

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

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JENNIFER LANGER JACOBS
Assistant Commissioner

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

J.B.,

PETITIONER,

v.

DIVISION OF MEDICAL ASSISTANCE

AND HEALTH SERVICES AND

UNION COUNTY BOARD OF

SOCIAL SERVICES,

RESPONDENTS.

ADMINISTRATIVE ACTION

FINAL AGENCY DECISION

OAL DKT. NO. HMA 8653-2021

As Assistant Commissioner of 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 in this matter. Procedurally, the time period for the Agency Head to file a Final Decision is March 6, 2022 in accordance with an Order of Extension.

The matter arises regarding the denial of Medicaid benefits due to Petitioner's

failure to provide information regarding his assets. Specifically, Union County Board of Social Services sought information regarding two insurance policies and the balance of his wife's Direct Express Account.

Petitioner filed on May 21, 2021. Union County sought additional verifications on June 1, 2021 and, after receiving documentation on June 18, 2021, issued another letter on July 6, 2021 seeking verifications including two life insurance policies and information regarding bank accounts including a Direct Express account owned by Petitioner's wife. See R-4 and R-10.¹ Petitioner's Power of Attorney returned a letter regarding one of life insurance policies but did not include the other information. R-11. The application was denied for failing to provide this information and this appeal followed.

The local County Welfare Agencies evaluate Medicaid eligibility. N.J.S.A. 30:4D-7a; N.J.A.C. 10:71-2.2(a); N.J.A.C. 10:71-3.15. Eligibility must be established in relation to each legal requirement of the program. N.J.A.C. 10:71-3.15. CWAs must verify the value of resources through appropriate and credible sources, which includes evaluation of the applicant's past circumstances and present living standards in order to ascertain the existence of resources that may not have been reported. N.J.A.C. 10:71-4.1. If the applicant's resource statements are questionable, or there is reason to believe the identification of resources is incomplete, the CWA can verify the applicant's resource statements through one or more third parties. Ibid. "The process of establishing eligibility involves a review of the application for completeness, consistency, and reasonableness." N.J.A.C. 10:71-2.9. Applicants must provide the CWA with specific verifications, which are identified for the applicant.

¹ The Initial Decision lists the hearing packet from Union County in its entirety as R-1. The packet is internally marked R-1 through R-14 and those internal markings are used here for clarity.

N.J.A.C. 10:71-2.2(e) provides:

As a participant in the application process, an applicant shall:

1. Complete, with assistance from the CWA if needed, any forms required by the CWA as a part of the application process;

2. Assist the CWA in securing evidence that corroborates his or her statements;
and

3. Report promptly any change affecting his or her circumstances.

[Emphasis added.]

N.J.A.C. 10:71-3.1(b) also requires the applicant to substantiate his application with corroborative evidence from pertinent sources. The CWA must timely process the application. See 42 U.S.C. § 1396a(3); 42 C.F.R. § 435.911; N.J.A.C. 10:71-2.3. The agency must send each applicant written notice of its decision on an application and, if eligibility is denied, the reasons for the denial and the right to request a fair hearing. 42 C.F.R. § 435.913; N.J.A.C. 10:71-8.3. The CWA will deny applications when the applicant fails to timely provide verifications. See N.J.A.C. 10:71-2.2(e), -2.9, -3.1(b).

Here Union County requested information and documents about Petitioner and his wife's assets that were not provided. One of the requests sought information for the cash surrender value life insurance policy ending in #4296. Petitioner provided a letter from the company that disclosed the policy was owned by Petitioner's daughter yet Union County included the failure to disclose the cash surrender value of that policy in its denial letter. As the policy was not owned by either Petitioner or his wife and, thus, was not the couple's asset, there was no need further information about that policy. N.J.A.C. 10:71-4.1. To that end I find that there was no missing information related to that policy.

I concur with the Initial Decision's finding that the other information was not produced which prevented Union County from making an eligibility determination. While

Petitioner claimed that the other insurance policy had lapsed, he did not provide any information to support this claim. Likewise, the Direct Express account information was not provided. Thus, for the reasons set forth above and those contained in the Initial Decision, I hereby ADOPT the Initial Decision as MODIFIED above.

THEREFORE, it is on this 1st day of MARCH 2022,

ORDERED:

That the Initial Decision is hereby ADOPTED in Part and MODIFIED in Part as set for the above.



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