

was filed on Petitioner's behalf by her Designated Authorized Representative (DAR), Stacy Courtér, an employee of Petitioner's nursing facility, on March 12, 2021. R-6.

On March 23, 2021, Morris County sent an initial letter to Petitioner's DAR, which requested verification of information related to Petitioner, including a copy of Petitioner's Medicare card and an account history of Petitioner's personal needs allowance (PNA) account. R-1. Morris County issued a second letter to Petitioner's DAR on April 7, 2021, requesting specific Chase Bank account statements for one account and verification of whether a second Chase Bank account was open and active or if it had been closed. R-2. On June 14, 2021, Morris County issued a third letter to Petitioner's DAR, advising that a review of the Chase Bank account statements provided showed that Petitioner was making payments of \$75 to NJM Insurance and \$18.90 to Preferred Mutual and that a \$1,000 check was issued on October 8, 2020 for a "2007 Chevy Cobalt." R-3. The letter requested verification of the NJM Insurance and Preferred Mutual policies and the vehicle registration, if Petitioner had purchased a vehicle. Ibid. The letter additionally requested statements for a Chase investment account from March 1, 2016 to February 28, 2021 or until the date it was closed, verification of any transaction over \$2,000 or more,¹ and again, whether the second Chase Bank account, noted in the April 7, 2021 letter, was active or had been closed. Ibid. The letter advised that if the requested verifications were not received by June 24, 2021, Petitioner's application may be denied. Ibid.

By letter dated July 12, 2021, Morris County denied Petitioner's application for failing to provide requested verifications. R-4. The letter advised that the Petitioner failed to provide verification of the \$75 payments to NJM Insurance, the \$18.90 payments to Preferred Mutual,

¹ While the Initial Decision states that this was the first time that Morris County requested an explanation of any transaction of over \$2,000, all three of the letters issued by Morris County advised the DAR that "[a]ny transaction \$2,000 or greater must be verified with either a written explanation and/or check image, deposit/withdrawal slip(s), receipts or any other verifications that prove what the money was used for. Failure to provide the proper verification may result in a transfer penalty." R-1, R-2, and R-3.

the \$1,000 check issued on October 8, 2020 for a "2007 Chevy Cobalt," account statements for the Chase investment account, and any transaction that was for \$2,000 or more. Ibid.

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). CWAs must determine eligibility for Aged cases within 45 days and Blind and Disabled cases within 90 days N.J.A.C. 10:71-2.3(a) and 42 CFR § 435.912. The time frame may be extended when documented exceptional circumstances arise preventing the processing of the application within the prescribed time limits. N.J.A.C. 10:71-2.3(c). The regulations do not require that the CWA grant an extension beyond the designated time period when the delay is due to circumstances outside the control of both the applicant and the CWA. At best, the extension is permissible. N.J.A.C. 10:71-2.3; S.D. v. DMAHS and Bergen County Board of Social Services, No. A-5911-10 (App. Div. February 22, 2013).

The Initial Decision found that the denial of Petitioner's application was improper because the DAR's failure to provide the requested documentation was "de minimus." I disagree.

At the outset, I note that the fact that Petitioner's Medicaid application did not list insurance policies or vehicles as Petitioner's assets is not indicative that such insurance policies or vehicles did not exist. Morris County deemed that the outstanding verifications were necessary in order to determine Petitioner's eligibility, and as noted above, it was the

Petitioner's responsibility to obtain and submit the documentation that Morris County deemed necessary to process her application. See N.J.A.C. 10:71-2.2(e). It is undisputed that Petitioner, through her DAR, failed to provide various verifications prior to the denial of Petitioner's application.

The DAR was on notice since the first verification letter, dated March 23, 2021, that she needed to provide documentation related to any transaction over \$2,000 and "all accounts, resources and properties that have yet to be disclosed. . . ." R-1, R-2, and R-3. While it is unclear from the record provided if any transactions over \$2,000 existed in any of the accounts owned by Petitioner, there is nothing in the record showing that the DAR advised Morris County either way. Moreover, the DAR failed to disclose and provide statements for the Chase investment prior to the deadline set forth by Morris County. No explanation has been provided to explain when the account information was requested and why the statements could not have been supplied in a timely matter.²

Further, while the Initial Decision finds that the \$1,000 check was a deposit for a vehicle that was never purchased by Petitioner and the deposit was retained by the dealership, no documentation was supplied to Morris County to support this contention.³ Similarly, while the Initial Decision finds that the two monthly insurance payments were for renter's insurance,⁴ no documentation was provided to Morris County to support that finding

² Petitioner provided a copy of an undated, electronic request for the Chase investment account information. The request advised that the investment account could be seen on Petitioner's Chase Bank account statements until September 2017 and requested the status of the account and how to obtain statements. Ibid. It is unclear when this request was submitted to Chase Bank and when the statements were requested.

³ While the DAR makes this assertion in a July 26, 2021 email to Morris County, no documentation was provided in the record to support a finding that the funds were retained by the dealership for failing to proceed with the purchase of a vehicle. See P-1.

⁴ The Initial Decision finds that the NJM insurance and Preferred Mutual insurance payments were for renter's insurance. ID at 3 and 4. However, the July 26, 2021 email from the DAR to Morris County states that the NJM Insurance payments were for automobile insurance and the Preferred Mutual payments were for rental insurance. P-1. Regardless, there is nothing in the record to support the DAR's assertions as to the purpose of these payments.

either. The purpose of Morris County's three verification letters was to determine what assets were owned by Petitioner so that eligibility could be determined. Without the requested verifications, Morris County was unable to determine what assets Petitioner held, if any. The failure to provide the requested verifications is not excused by the fact that the funds that were expended may not have ultimately been assets held by Petitioner.

The DAR, additionally, failed to request any extensions of time to provide the requested documentation and no exceptional circumstances existed in this matter that would have necessitated such an extension. Moreover, there is nothing in the record to show that the DAR advised Morris County that she allegedly had to order a hearing impaired telephone to obtain the requested documentation until July 26, 2021, thirty-two days after the deadline set forth the June 14, 2021 letter and fourteen days after the denial was issued. See P-1.

Accordingly, for the reasons set forth above and those contained in the Initial Decision, I hereby REVERSE the Initial Decision and FIND that Morris County's denial of Petitioner's application was appropriate in this matter

THEREFORE, it is on this 6th day of APRIL 2022,

ORDERED:

That the Initial Decision is hereby REVERSED.



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

Moreover, it is unclear why Petitioner would be paying for automobile insurance when the DAR alleges that Petitioner did not own a vehicle.