



State of New Jersey
OFFICE OF ADMINISTRATIVE LAW

INITIAL DECISION

OAL DKT. NO. HMA 09218-25

***New Jersey Care . . . Special Medicaid
Failure to Verify Eligibility Appeal
N.J.A.C. 10:72-2.1 and N.J.A.C. 10:72-2.3***

D.E.

Petitioner,

v.

MIDDLESEX COUNTY BOARD
OF SOCIAL SERVICES

Respondent.

For petitioner: Terri Valenza, Designated Authorized Representative

For respondent: Kurt Eichenlaub, Human Service Specialist 3/ Medicaid Fair Hearing Liaison

BEFORE: Joan M. Burke, ALJ

STATEMENT OF THE CASE

Respondent denied petitioner's Special Medicaid application for failure to provide the following evidence of eligibility under N.J.A.C. 10:72-2.1(c) and 10:72-2.3(e):

Explanation for a check in the amount of \$284.41

FINDINGS OF FACT AND CONCLUSIONS OF LAW

I.

- ☒ I **FIND** that petitioner or petitioner's representative is **AUTHORIZED** to pursue this appeal; therefore, I **CONCLUDE** that petitioner has **STANDING** to pursue this appeal.
- ☐ I **FIND** that petitioner or petitioner's representative is **NOT AUTHORIZED** to pursue this appeal; therefore, I **CONCLUDE** that petitioner has **NO STANDING** to pursue this appeal.

II.

- ☐ I **FIND** that petitioner did not provide all the necessary documentation under N.J.A.C. 10:72-2.1(c) and (d), and that no exceptional circumstances exist under N.J.A.C. 10:72-2.1(d)(2); therefore, I **CONCLUDE** that the Special Medicaid application must be **DENIED** under N.J.A.C. 10:72-2.1(c) and 10:72-2.3(e).
- ☐ I **FIND** that petitioner did not provide all the necessary documentation under N.J.A.C. 10:72-2.1(c) and (d), but that exceptional circumstances exist under N.J.A.C. 10:72-2.1(d)(2) (*note exceptional circumstances in "Additional Findings of Fact/Conclusions of Law"*); therefore, I **CONCLUDE** that the time limit for verification must be **EXTENDED** under N.J.A.C. 10:72-2.1(d)(2).
- ☒ I **FIND** that petitioner did not provide all the necessary documentation under N.J.A.C. 10:72-2.1(c) and (d); exceptional circumstances exist under N.J.A.C. 10:72-2.1(d)(2) (*note exceptional circumstances in "Additional Findings of Fact/Conclusions of Law"*); and petitioner has since provided all the necessary documentation; therefore, I **CONCLUDE** that the Special Medicaid application must be **PROCESSED** to determine eligibility under N.J.A.C. 10:72.

- ☐ I **FIND** that petitioner provided all the necessary documentation under N.J.A.C. 10:72-2.1(c) and (d); therefore, I **CONCLUDE** that the Special Medicaid application must be **PROCESSED** to determine eligibility under N.J.A.C. 10:72.

ADDITIONAL FINDINGS OF FACT/CONCLUSIONS OF LAW

Petitioner filed an application for NJ FamilyCare Aged, Blind, Disabled Programs on June 20, 2024. The respondent did not review the petitioner's application until March 27, 2025, when they requested information to complete the eligibility determination. Numerous documentation for deposits and withdrawals were requested. Petitioner provided all the requested documentation. However a deposit of \$284.41, made in 2019, was not explained. The MCBSS denied the petitioner's application on May 7, 2025. The respondent took almost ten months to review the file. Denied it without sending a second request for information (RFI) to let the petitioner know that the application would be denied for the failure of this one deposit. The deposit was not a recurring deposit that would suggest that it was ongoing income.

Petitioner's daughter testified that when she was told that denial was for this one check, she went to the bank immediately. The bank was able to find the image of the check. (P-1.) The check was from State Farm Insurance Company (State Farm). Since the petitioner was no longer driving, she canceled her insurance policy and this deposit was based on a refund of the premiums from State Farm.

Typically, the maximum time to process a Medicaid application is forty-five days for the aged and ninety days for the disabled or blind. N.J.A.C. 10:71-2.3(a). The respondent took over nine months or approximately 270 days to process the application.

According to N.J.A.C. 10:71-2.2, the worker must communicate with the applicant regarding any missing documentation. After that, the county social service agency (CSSA) may use collateral contacts to verify, supplement, or clarify essential information. N.J.A.C. 10:71-2.10.

N.J.A.C. 10:71-2.2(e)(2), addresses a participant's responsibilities, it provides, in pertinent part, that an applicant shall assist the county welfare agency (CWA) in securing evidence that corroborates his or her statement.

Here, after the petitioner submitted the documents requested, the respondent failed to follow-up regarding the one missing deposit. The denial comes approximately eleven months after the petitioner submitted the application. I **CONCLUDE** that a second RFI should have been sent to the petitioner regarding the missing information. I further **CONCLUDE** that the MCBSS did not satisfy its regulatory obligations and as such the file must be reopened to review the application as the petitioner has since provided the outstanding information.

ORDER

I **ORDER** that:

- ☐ Petitioner's appeal is **DISMISSED** because petitioner has **NO STANDING**.
- ☐ Petitioner's Special Medicaid application is **DENIED** under N.J.A.C. 10:72-2.1(c) and 10:72-2.3(e)
- ☐ Respondent must **EXTEND** the time limit for verification under N.J.A.C. 10:72-2.1(d)(2).
- ☒ The case be **RETURNED** to respondent for respondent to **PROCESS** the application to determine eligibility under N.J.A.C. 10:72.

I **FILE** this initial decision with the **ASSISTANT COMMISSIONER OF THE DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES**. This recommended decision is deemed adopted as the final agency decision under 42 U.S.C. § 1396a(e)(14)(A) and N.J.S.A. 52:14B-10(f). The **ASSISTANT COMMISSIONER OF THE DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES** cannot reject or modify this decision.

If you disagree with this decision, you have the right to seek judicial review under New Jersey Court Rule 2:2-3 by the Appellate Division, Superior Court of New Jersey, Richard J. Hughes Complex, PO Box 006, Trenton, New Jersey 08625. A request for judicial review must be made within 45 days from the date you receive this decision. If you have any questions about an appeal to the Appellate Division, you may call (609) 815-2950.

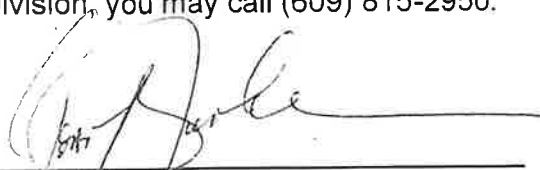
September 11, 2025

DATE

Date Record Closed:

Date Filed with Agency:

Date Sent to Parties:


Joan M. Burke, ALJ

August 26, 2025

APPENDIX

Witnesses

For Petitioner:

Terri Valenza, Designated Authorize Representative
J.B.

For Respondent:

Kurt Eichenlaub, Human Service Specialist 3/ Medicaid Fair Hearing Liaison

Exhibits

For Petitioner:

P-1- Check Image- State Farm Insurance Company

For Respondent:

R-A Application for NJ FamilyCare- June 20, 2024

R-B Notification of Eligibility- May 7, 2025

R-C Regulations

R-D Request for Information- March 27, 2025