



State of New Jersey
OFFICE OF ADMINISTRATIVE LAW

INITIAL DECISION

SUMMARY DECISION

OAL DKT. NO. HMA 08054-25

AGENCY DKT. NO. N/A

J.H.,

Petitioner,

v.

MIDDLESEX COUNTY

BOARD OF SOCIAL SERVICES,

Respondent.

Michael Heinemann, Esq., for petitioner (Law Office of Michael Heinemann, P.C.,
attorney)

Kurt Eichenlaub, Fair Hearing Liaison/Human Services Specialist 3, for
respondent, appearing pursuant to N.J.A.C. 1:1-5.4(a)(3)

Record Closed: September 26, 2025

Decided: October 15, 2025

BEFORE **TRICIA M. CALIGUIRE, ALJ:**

STATEMENT OF THE CASE

Petitioner J.H. appeals the decision of respondent, Middlesex County Board of Social Services (MCBSS), to deny her Medicaid application due to her alleged failure to provide information to verify her eligibility.

PROCEDURAL HISTORY

On June 5, 2024, J.H., through her designated authorized representative (DAR), applied for Medicaid benefits. On April 17, 2025, respondent issued written notice to petitioner that her application for Medicaid was denied. Petitioner filed a timely request for a fair hearing with the Division of Medical Assistance and Health Services (DMAHS), which transmitted this matter to the Office of Administrative Law (OAL), where it was filed as a contested case on May 8, 2025. N.J.S.A. 52:14B-1 to -15; N.J.S.A. 52:14F-1 to -23.

On July 15, 2025, the parties appeared for the hearing by telephone with a call-in number. The parties agreed that the facts are not in dispute and the only issue is whether respondent had sufficient legal basis to deny petitioner's application. Accordingly, the hearing was adjourned, and a schedule for petitioner's proposed motion for summary decision was set. On August 15, 2025, following several extensions of the filing deadline, petitioner filed a motion for summary decision in her favor; MCBSS submitted its response on September 2, 2025, and petitioner replied on September 16, 2025. On September 16, 2025, respondent asked to supplement its response. Over petitioner's objection, this request was granted. On September 22, 2025, respondent submitted a supplemental letter, by which it clarified statements in its earlier response brief. Petitioner was given the opportunity to respond and declined to do so. On September 26, 2025, I closed the record.

FACTUAL DISCUSSIONS AND FINDINGS

There is no dispute as to the following background **FACTS**, and therefore, I **FIND**:

J.H. is a ninety-year-old widowed female. Prior to June 5, 2024, J.H. moved into a long-term care facility in East Brunswick, Middlesex County, New Jersey. On June 5, 2024, she applied to respondent for Medicaid benefits. R-1.

J.H.'s application included a form titled "Designation of Authorized Representative [DAR]." It was signed on J.H.'s behalf by her son, S.H., and included what appears to be the electronic signature of the proposed DAR, Hindy Deutsch, Senior Planning Services.

R-1. On January 23, 2025, during an internal meeting, respondent determined that the electronic cursive-font signature used by the DAR was not acceptable, although “electronic signatures such as DocuSign and time-stamped signatures would be acceptable.” Letter Br. of Resp’t (August 29, 2025) (Resp’t’s Br.), at 1.

By letter dated March 26, 2025, respondent requested information from petitioner, due on or before April 9, 2025. R-3. This letter was addressed to J.H. and mailed to her at the long-term care facility.

On April 3, 2025, Deutsch checked the Medicaid application portal and learned that J.H.’s response to an RFI was pending. Deutsch emailed respondent for a copy of the RFI and learned that the DAR form was invalid because (1) S.H. signed the form but used his mother’s initials instead of his own on several lines on the form; and (2) Deutsch signed by computer signature. R-4. On April 3 and 4, 2025, Deutsch and a representative of respondent exchanged numerous emails as Deutsch attempted to correct the DAR form. Respondent did not inform Deutsch that other forms of electronic signature would be acceptable. The last email provided here by respondent was sent by Deutsch on April 4, 2025. R-4.

On April 7, 2025, Deutsch again requested a copy of the RFI from respondent. P-1. On April 10, 2025, one day after the original response deadline, respondent sent the RFI to Deutsch and at the same time stated that all information requested was due the next day and that no extensions would be granted. P-1.

On April 11, 2025, Deutsch provided some of the missing information and requested an extension. P-1.

Respondent did not respond to the request for an extension.¹ On April 17, 2025, respondent sent notice to Deutsch that J.H.’s application was denied “for failure to provide requested verifications.” R-2.

¹ Respondent states that this extension was denied, but neither party introduced evidence of this denial.

LEGAL ANALYSIS AND CONCLUSIONS

Congress created the Medicaid program under Title XIX of the Social Security Act, 42 U.S.C. §§ 1396 to 1396w-8. Medicaid is funded by the federal government and administered by the states, including New Jersey. A.K. v. Div. of Med. Assistance and Health Servs., 350 N.J. Super. 175 (App. Div. 2002). Participating states must establish Medicaid eligibility standards that conform to the parameters of the federal statute and the regulations promulgated by the Secretary of Health and Human Services. Wis. Dep't of Health & Family Servs. v. Blumer, 534 U.S. 473, 479 (2002). New Jersey participates in Medicaid through the New Jersey Medical Assistance and Health Services Act. N.J.S.A. 30:4D-1 to -19.5. The Commissioner of the Department of Human Services has promulgated regulations implementing New Jersey's Medicaid Only program, including income and resource eligibility standards. N.J.A.C. 10:71-1.1 to -9.5.

Respondent issued its decision to deny J.H.'s eligibility for Medicaid benefits in accordance with N.J.A.C. 10:71-2.2(e), which states that as part of the application process, an applicant for Medicaid shall "assist the [county welfare agency] in securing evidence that corroborates his or her statements." The agency, too, has responsibilities in the application process, including to "[a]ssist the applicants in exploring their eligibility for assistance . . . [and to] assure the prompt and accurate submission of eligibility data to the Medicaid status files for eligible persons and prompt notification to ineligible persons of the reason(s) for their ineligibility." N.J.A.C. 10:71-2.2(c).

The maximum period of time normally essential 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). It is recognized that there will be situations where the proper processing of the application cannot be completed within the pertinent time limit. N.J.A.C. 10:71-2.3(c). That is the circumstance that occurred here. By the undisputed facts, respondent did not even begin to review J.H.'s application until well after the forty-five days had passed. "Where substantially reliable evidence of eligibility is still lacking at the end of the designated period, the application may be continued in pending status." N.J.A.C. 10:71-2.3(c). But, the agency must be able to demonstrate that the delay was caused by "an administrative or other emergency that could not reasonably have been avoided," or

“circumstances wholly outside the control of both the applicant and [the agency].” N.J.A.C. 10:71-2.3(c)(3), (4).

In this case, respondent extended the maximum amount of time anticipated by the regulations for the processing of a Medicaid application from forty-five days to nine months. Petitioner contends that respondent “ignored the application” for nine months, to which respondent duly takes issue. See Resp’t’s Br. at 1. Respondent argues credibly that it has suffered since the COVID-19 emergency with an overwhelming case load and is “processing applications as quickly and efficiently as possible.” Id. at 2. Though the after-effects of the COVID-19 crisis certainly qualify as an emergency that could not be anticipated and was outside everyone’s control, respondent did not send petitioner “written notification . . . [of] the specific reasons for [the] delay,” or even that there would be a delay. See N.J.A.C. 10:71-2.3(d).

Respondent also contends that it acted in compliance with the timelines described in Med-Comm 22-04, a publication issued by DMAHS to “promote the use of online applications” in accordance with federal regulations. State of New Jersey, Department of Human Services, Medicaid Communication No. 22-04 (May 3, 2022) (Med-Comm 22-04). According to respondent, Med-Comm 22-04 gives it “the discretion to either allow or deny extensions for information to be submitted.” Resp’t’s Br. at 1. Two items of significance: first, Med-Comm 22-04 does not describe the use of online signatures, nor does it prohibit electronic cursive-font signatures, and second, Med-Comm 22-04 provides that:

It should be understood that exceptional circumstances may arise in determining eligibility. Therefore, if the applicant/beneficiary requests additional time to provide information and continues to cooperate in good faith with the Agency, a reasonable extension of the time limit may be permitted.

[Id. at 2.]

The credible evidence in the record demonstrates that respondent did not alert petitioner to the problems with the DAR’s online signature or with her son’s signature, that the DAR cooperated in good faith to correct the deficiency and to respond to the request

for information, that the request for an extension was made in a timely manner (when considering the delay in even obtaining the RFI), and respondent refused “any extensions” without explanation. By its supplemental letter, respondent states that “the change in DAR policy was communicated to the DAR when petitioner’s case was worked on.” Resp’t’s Suppl. Letter (September 22, 2025). If respondent is referring to the change in the criteria by which electronic signatures are accepted, the DAR was only given that information when she inquired. If there is some other policy change as to which respondent was communicating with the DAR, respondent has not provided sufficient evidence of the communication and/or simply fails to fully explain that statement.

On January 23, 2025, seven months after J.H. submitted her application, respondent conducted an internal review of the DAR’s electronic signature and decided that it was insufficient.² Given that respondent was, essentially, establishing new policy on electronic signatures—the use of which is encouraged by DMAHS—it is not surprising that Deutsch was unaware of her error in using an electronic cursive-font signature. But, instead of assisting J.H., an elderly woman who—through her son—attempted to use an authorized representative to handle her Medicaid application, respondent never notified J.H. or her son of the error in the DAR form. See N.J.A.C. 10:71-2.2(c). If respondent had sent an email to S.H. or to Deutsch in January 2025, when respondent and DMAHS made the decision that the DAR form was insufficient, petitioner would have had plenty of time to correct the form before March 26, 2025, when the RFI was issued. Had Deutsch received the RFI on March 26, 2025, she may have been able to respond to the deficiencies in J.H.’s application in a timely manner. By its action, respondent denied J.H. such opportunity. Accordingly, I **CONCLUDE** that the denial was inappropriate.

I **CONCLUDE** that petitioner has proved by a preponderance of the credible evidence that respondent erred in its decision to deny J.H.’s application for Medicaid benefits on the grounds that petitioner failed to timely comply with her obligation to assist respondent in securing evidence that corroborates her eligibility, as required under N.J.A.C. 10:71-2.2(e).

² Respondent clarified that this “internal” meeting included DMAHS. Even so, the decisions made in that meeting were not communicated to petitioner in a timely manner.

ORDER

For the reasons described above, it is hereby **ORDERED** that respondent's denial of petitioner J.H.'s application for Medicaid benefits is **REVERSED**, and petitioner's application is hereby **REMANDED** to the agency for consideration.

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.

October 15, 2025

DATE



TRICIA M. CALIGUIRE, ALJ

Date Received at Agency:

Date Mailed to Parties:

TMC/kl

APPENDIX

Exhibits

For Petitioner:

- P-1 Emails between Hindy Deutsch and Respondent, dated between April 3, 2025, and April 11, 2025
- P-2 Screen shot of DMAHS Portal

For Respondent:

- R-1 Application for NJ FamilyCare Aged, Blind, Disabled Programs, dated June 5, 2024
- R-2 Notice of Adverse Action, dated April 17, 2025
- R-3 Request for Information, dated March 26, 2025
- R-4 Emails between Hindy Deutsch and Respondent, dated between April 3, 2025, and April 4, 2025
- R-5 Medicaid Communication No. 22-04, dated May 3, 2022