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

J.M.,

PETITIONER,

v.

DIVISION OF MEDICAL ASSISTANCE
AND HEALTH SERVICES AND
HORIZON NJ HEALTH,

RESPONDENTS.

ADMINISTRATIVE ACTION

FINAL AGENCY DECISION

OAL DKT. NO. HMA 04255-2025

As Assistant Commissioner for the Division of Medical Assistance and Health Services (DMAHS), I have reviewed the record in this case, including the OAL case file, the documents in evidence, and the Initial Decision in this matter. Neither Party filed exceptions. Procedurally, the time period for the Agency Head to render a Final Agency Decision is October 20, 2025, in accordance with an Order of Extension.

This matter arises regarding Horizon NJ Health's (Horizon) August 13, 2024, denial of Petitioner's request for a specialty bed, a Cubby Bed Plus. The issue presented here is whether Horizon properly denied Petitioner's request for the Cubby Bed Plus under N.J.A.C. 10:59-1.2.

Petitioner, born on November 15, 2020, lives with their biological brother and adoptive parents. (R-3.) Petitioner was diagnosed with Autism, mixed receptive-expressive language disorder, cardiac murmur, and global developmental delay. Ibid. Petitioner was exposed to drugs and alcohol in utero, resulting in fetal alcohol syndrome. Ibid. Petitioner is non-verbal. Ibid.

By letter dated June 25, 2024, Petitioner's doctor, Tara Matthews, M.D. (Dr. Matthews), prescribed the Cubby Bed Plus as a medical necessity for Petitioner. Ibid. Dr. Matthews explained that Petitioner would be in danger if they slept in a regular bed with or without commercial side rails because Petitioner lacks the cognitive and safety awareness. Ibid.

On August 13, 2024, Horizon denied Petitioner's request for the Cubby Bed Plus based on HBCBSNJ Uniform DME policy 021 for Medical Beds. (R-1.) Petitioner appealed Horizon's determination. ID at 2. The hearing was held on July 15, 2025, and the record closed that day. Ibid.

During the hearing, Dr. Matthews testified on behalf of Petitioner. ID at 3. Dr. Matthews is a board-certified pediatrician and serves as a developmental behavioral pediatrician at Children's Specialized Hospital and the medical director of its fetal alcohol spectrum disorders program at the FAS Regional Diagnostic Center. Ibid.

Dr. Matthews testified that she has treated Petitioner since their birth. Ibid. In her medical opinion, Petitioner presents with unique and challenging problems. Ibid.

Petitioner can manipulate locks, safety harnesses, and turn off alarms. Ibid. Petitioner's ability to climb is alarming because of the potential for head trauma from a fall. Ibid.

Dr. Matthews shared her concerns about Petitioner's lack of sleep. Ibid. With medication, Petitioner can fall asleep, but they wake up within two or three hours and do not go back to sleep. Ibid. Petitioner climbs out of their crib. Ibid. A traditional twin bed with side rails is dangerous because of Petitioner's jumping and climbing. Ibid. Petitioner currently sleeps on the floor, which their father had to bolt down. Ibid.

Dr. Matthews further testified that she fully endorsed the Cubby Bed Plus as vital for Petitioner's safety. Ibid. The snugness of the enclosed bed would provide Petitioner with a secure environment that would be more conducive to sleep. Ibid. Without the ability to climb and roam, Petitioner would be less stimulated. Ibid. If Petitioner had an aggressive outburst, the bed's padding would prevent Petitioner from injuring themselves. Ibid. Dr. Matthews opined that the Cubby Bed Plus is medically necessary to meet Petitioner's complex medical needs and their ability to self-regulate. Ibid.

C.M., Petitioner's adoptive mother, testified on behalf of Petitioner that every night one parent must stay awake because of the fear that Petitioner will manipulate the locks, climb on the refrigerator, or other high places, and fall, or escape the house. ID at 5. C.M. further testified that Petitioner has no fear or awareness of danger, and they need a safe place to sleep. Ibid.

Dr. Ralph Pothel (Dr. Pothel) testified on behalf of Horizon. ID at 5. Dr. Pothel is board-certified in family medicine. Ibid. Dr. Pothel has over thirty years of clinical experience. Ibid. He has experience treating children with Autism and other disabilities. Dr. Pothel has been the medical director for Horizon for seventeen years. Ibid.

Dr. Pothel testified that when Horizon makes the determination, it must follow Horizon's Policy 021. Ibid. Per Policy 021, "in general, specialty beds are not considered

medically necessary for the restraint of children with seizures, Autism, or other containment problems.” In his opinion, the justification submitted on behalf of Petitioner did not align with Policy 021. The primary purpose of this bed is restraint and containment, and that purpose does not align with the policy. Ibid.

The Administrative Law Judge (ALJ) reversed Horizon’s denial of the Cubby Bed Plus. ID at 8. The ALJ noted that Horizon denied coverage for this specialty bed because it deemed its primary purpose to be containment. ID at 7. The ALJ found that C.M. and Dr. Matthews demonstrated that Petitioner’s need for this bed is more than a restraint. Ibid. Petitioner’s complex medical needs, unique ability to climb, manipulate restraining devices, and become self-injurious through overstimulation satisfy the medical necessity requirement for this bed. Ibid. The policy’s use of the words “in general” allows for consideration in such unique circumstances. Ibid.

The ALJ concluded that Petitioner’s unique medical condition and circumstances have rendered it medically necessary for Petitioner to have the Cubby Plus Bed and Floor Anchor Set. ID at 8. I concur.

Medicaid is a federal program under Title XIX of the Social Security Act, 42 U.S.C.A. § 1396 to 1396w-5. The program is funded by the federal government and administered by the states, including New Jersey. New Jersey participates in Medicaid through the New Jersey Department of Medical Assistance and Health Services Act, N.J.S.A. 30:4D-1 to -19.5.

Pursuant to that statute, DMAHS has promulgated regulations implementing the New Jersey Medicaid/NJ FamilyCare program relevant to medical supplies and DME. N.J.A.C. 10:59-1.1.

DME means an item or apparatus, other than hearing aids and certain prosthetic and orthotic devices, including customized DME, modified DME and standard DME, which has all of the following characteristics: 1) is primarily and customarily prescribed to serve a medical purpose and is medically necessary for the beneficiary for whom requested; 2) is generally not useful to a beneficiary in the absence of a disease, illness, injury, or disability; and 3) is capable of withstanding repeated use (durable) and is nonexpendable; for example, hospital bed, oxygen equipment, wheelchair, walker, suction equipment, and the like. N.J.A.C. 10:59-1.2.

Horizon is a New Jersey insurance provider for Medicaid services that implements New Jersey state regulations for special beds by using clinical criteria to determine medical necessity for specific bed types, such as bariatric or safety enclosure beds. While Horizon has its own policies, they are guided by state rules and cover DME that is medically necessary and appropriate, often requiring prior authorization. In order to be considered as medically necessary, a bed must perform or help in performing some necessary medical function under N.J.A.C. 10:59-1.2.

The basic purpose of a bed in a medical context is to provide a patient with impaired function or other medical problem an ability to ameliorate the medical problem or otherwise aid in performing an essential activity. Such needs include facilitation of feeding, breathing, bathroom activities, use of lifts, and turning of patients who are bed bound. In such bed-bound patients, medical use of beds may be directed at preventing decubitus ulcers, using traction equipment, specialty mattresses, or restraining an otherwise uncontrollable patient. Using beds to help ameliorate pain or when the weight of the patient is an issue that may be appropriate only when there is a complicating need.

Here, Petitioner has Autism. They are at a high risk for elopement, and they bang their head on the floor and walls when stimming. Petitioner can bypass all child safety

locks. Petitioner has a constant sleep issue. Their medication only allows them to fall asleep for a short period of time. Petitioner's nighttime behavior is so severe, involving climbing and attempting to elope, that their parents must take turns staying awake. Petitioner sleeps on a mattress pad bolted to the floor and wanders their room each night. Petitioner's significant insomnia posed a substantial risk to themselves. Dr. Matthews recommended the Cubby Bed Plus to protect them at night from head banging or attempting to elope (wander).

According to Horizon's DME policy, they will only pay for DME if the equipment is medically necessary. Medical necessity describes a service, supply or procedure (collectively "technology") that a physician or health care professional exercising prudent clinical judgment, would provide to a member for the purpose of evaluating, diagnosing or treating an illness, injury, disease or its symptoms and that is: in accordance with the "generally accepted standards of medical practice"; clinically appropriate, in terms of type, frequency, extent, site and duration, and considered effective for the member's illness, injury or disease; not primarily for the convenience of the member or the physician or health care professional; and not more costly than an alternative service or sequence of services at least as likely to produce equivalent therapeutic or diagnostic results as to the diagnosis or treatment of the member's illness, injury or disease.

Beds are considered not medically necessary when they are primarily for the patient or patient's family comfort and/or convenience. In general, specialty beds are not considered medically necessary for the restraint of children with seizures, autism, or other containment problems.

In this case, Petitioner has a complex medical condition that prevents him from sleeping in a traditional crib or bed, even with modifications and medications. Petitioner's ability to climb and escape, combined with their coordination issues and seizures, creates

a significant risk of serious injury, including head trauma from falls. The Cubby Plus Bed is specifically designed to address these risks. It provides a safe, enclosed, padded environment that not only prevents harm but also helps Petitioner regulate their behaviors by limiting stimulation. Dr. Matthews' and C.M.'s testimony established that Petitioner's need for the Cubby Plus Bed extends beyond mere containment. Rather, it is medically necessary for their safety, stability, and overall well-being.

Based on the record, I FIND that the Cubby Bed Plus is medically necessary. Thus, Horizon's denial of Petitioner's request for the Cubby Bed Plus was not appropriate under N.J.A.C. 10:59-1.2.

THEREFORE, it is on this 15th day of OCTOBER 2025,

ORDERED:

That the Initial Decision is hereby ADOPTED.



Gregory Woods, Assistant Commissioner
Division of Medical Assistance and Health Services