



**State of New Jersey**  
OFFICE OF ADMINISTRATIVE LAW

**INITIAL DECISION**

OAL DKT. NO. HMA 16955-25

***New Jersey Care . . . Special Medicaid  
Excess Income Appeal  
N.J.A.C. 10:72-4***

A.A.,  
\_\_\_\_\_  
\_\_\_\_\_

Petitioner,

v.

Hudson County Dept . of Family Services,  
\_\_\_\_\_  
\_\_\_\_\_

Respondent.

For petitioner: Lucas Landi, Esq., Northeast New Jersey Legal Services

For respondent: Donald Gardner, Esq.

BEFORE: William J. Courtney , ALJ  
\_\_\_\_\_

**STATEMENT OF THE CASE**

Respondent denied petitioner's Special Medicaid application due to excess income under N.J.A.C. 10:72-4.1.

**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's:

- (1) Earned income is \$ \_\_\_\_\_ (N.J.A.C. 10:72-4.4; N.J.A.C. 10:71-5)
- (2) Unearned income is \$ 1,493 \_\_\_\_\_ (N.J.A.C. 10:72-4.4; N.J.A.C. 10:71-5)
- (3) Income exclusions total \$ \_\_\_\_\_ (N.J.A.C. 10:72-4.4; N.J.A.C. 10:71-5)
- (4) Countable income total \$ 1493 \_\_\_\_\_ (N.J.A.C. 10:72-4.4; N.J.A.C. 10:71-5)
- (5) The applicable income eligibility standard under N.J.A.C. 10:72-4.1 is:
  - ~~\$1,255 (Household of 1)~~       \$1,704 (Household of 2)

III.

- I **CONCLUDE** that petitioner is over the applicable income limit and is therefore income **INELIGIBLE** for Special Medicaid benefits under N.J.A.C. 10:72-4.1.
- I **CONCLUDE** that petitioner is not over the applicable income limit and is therefore income **ELIGIBLE** for Special Medicaid benefits as of March 18, 2025 (*fill in date of eligibility*) under N.J.A.C. 10:72-4.1.

**ADDITIONAL FINDINGS OF FACT/CONCLUSIONS OF LAW**

Although petitioner's monthly SSI income of \$1,493 exceeded the monthly program limit of \$1,305, petitioner is disabled and qualified for the New Jersey WorkAbility Program ("NJWP") which permits an eligible disabled person to exceed the monthly program limit and still qualify for Medicaid.

The parties stipulated that the issue in this case was whether petitioner qualified for the NJWP. I FIND that he did qualify for the NJWP at the time of his renewal application on March 18, 2025 and CONCLUDE that respondent's July 23, 2025 termination letter should be vacated.

Respondent maintains that a statement in petitioner's renewal application along with his response to a June 10, 2025 Request for Information ("RIF") letter justifies their denial of benefits. In section 3 of petitioner's renewal application, he listed his Monthly SSI income of \$1493 as his sole source of income. He did not list the \$25.00 per week he receives from his sister ("A.C.") for assisting her with washing dishes, taking out the trash and helping with the laundry which, in the past, qualified him for NJWP. See R-1. He also did not include the money he received from A.C. in his response to the RFI. The RFI requested:

Proof of earned income. If you get paid weekly send copies of the last 4 pay stubs. If you get paid every 2 weeks, send copies of your last 2 pay stubs.

If you are not currently working, then provide a letter stating the last time you worked. Make sure the letter has a date, your signature and phone #.

[See R-3]

In response to respondent's reasons for their termination of benefits, petitioner provided credible testimony as to why he did not list the \$25 per week he was receiving from A.C. as income.

Petitioner testified that when he sent in the renewal application in March of 2025, he also provided a copy of a letter from his sister disclosing the \$25 weekly payments. He followed the same procedure he had on several prior renewals by providing a current letter from his sister documenting the payments. When he received the RFI in June he testified that he contacted the Hudson County Department of Family Services ("Agency") to clarify what they were looking for because he had already sent his SSI information as well as the letter from A.C. The Agency representative he spoke to informed him the Agency was looking for information regarding the employer he worked for prior to becoming disabled, so he responded within the requested time frame identifying his prior employer and indicating he has been on disability since 2014. (R-4). I FIND that petitioner's response to the RFI was appropriate given the instruction he received and given the fact that he

had already provided a letter from A.C. indicated that he was being paid \$25 per week for the he was performing for her.

Although respondent disputed petitioner's claim that he worked for his sister, A.C, provided credible and corroborating testimony that she paid A.A. \$25 per week for assisting her with household chores. She also testified that she had been paying A.A. that same weekly amount for several years and that each year she provided her brother with a letter confirming the payments so the same could be submitted to the Agency in support of his renewal application for Medicaid benefits.

### **ORDER**

I **ORDER** that:

- Petitioner's appeal is **DISMISSED** because petitioner has **NO STANDING**.
- Petitioner is income **INELIGIBLE** for Special Medicaid benefits under N.J.A.C. 10:72-4.1.
- Petitioner is income **ELIGIBLE** for Special Medicaid benefits as of March 18, 2025 under N.J.A.C. 10:72-4.1.

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.

**January 5, 2026**

DATE



, ALJ

Date Record Closed:

**December 15, 2025**

Date Filed with Agency:

**January 5, 2026**

Date Sent to Parties:

**January 5, 2026**

**APPENDIX**

**Witnesses**

**For Petitioner:**

A.A. and A.C.

**For Respondent:**

Ms. Goodson, HSS

**Exhibits**

**For Petitioner:**

P-1 Letter of Employment  
P-2 Legal Authority

**For Respondent:**

R-1 ABD Application Received 3/18/2025  
Exhibit A R-2 Social Security Award Letter  
3/18/2025 Exhibit B  
R-3 Request for Information Letter 6/10/2025 Exhibit C  
R-4 Client Statement (Not working) received 7/10/25  
Exhibit D R-5 Income/Resource Worksheet 7/23/2025  
Exhibit E  
R-6 Denial Letter Sent 7/23/2025 Exhibit F  
R-7 Medicaid Communication No. 25-03 Exit G