



State of New Jersey
OFFICE OF ADMINISTRATIVE LAW

INITIAL DECISION

OAL DKT. NO. HMA 21556-25

Medicaid Only
Failure to Verify Eligibility Appeal
N.J.A.C. 10:71-2.2 and -2.3

E.B.

Petitioner,

v.

Union County Board of
Social Services

Respondent.

For petitioner: Miriam Frankel, Designated Authorized Representative (DAR)

For respondent: Barbara Sandargus, HSS4, Adult Medicaid Supervisor

BEFORE: Andrea Perry Villani, ALJ

STATEMENT OF THE CASE

Respondent denied petitioner's Medicaid Only application for failure to provide the following evidence of eligibility under N.J.A.C. 10:71-2.2(e):

Quarterly Statements from Warner Bros. Discovery investment with Computershare account ending in #8881 from 8/1/19 through 11/31/24; monthly statements from Warner Bros. Discovery investment with Computershare account ending in #8881 from 12/1/24 through 5/1/25; and, a letter on letterhead from the YSA Reimbursement Company that E.B. received monthly income in the amount of \$153 on the specified twenty-two dates from 11/7/19 to 4/8/22.

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. 10:71-2.2(e) and -2.3(a), and that no exceptional circumstances exist under N.J.A.C. 10:71-2.3(c); therefore, I **CONCLUDE** that the Medicaid Only application must be **DENIED** under N.J.A.C. 10:71-2.2(e).
- I **FIND** that petitioner did not provide all the necessary documentation under N.J.A.C. 10:71-2.2(e) and -2.3(a), but that exceptional circumstances exist under N.J.A.C. 10:71-2.3(c) (*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. 10:71-2.3(c).
- I **FIND** that petitioner did not provide all the necessary documentation under N.J.A.C. 10:71-2.2(e) and -2.3(a); exceptional circumstances exist under N.J.A.C. 10:71-2.3(c) (*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 Medicaid Only application must be **PROCESSED** to determine eligibility under N.J.A.C. 10:71.

- I **FIND** that petitioner provided all the necessary documentation under N.J.A.C. 10:71-2.2(e) and -2.3(a); therefore, I **CONCLUDE** that the Medicaid Only application must be **PROCESSED** to determine eligibility under N.J.A.C. 10:71.

ADDITIONAL FINDINGS OF FACT/CONCLUSIONS OF LAW

E.B.'s DAR applied for Managed Long-Term Services and Supports (MLTSS) for E.B. on 3/31/25. Union County Board of Social Services (Agency) issued a request for information (RFI) on 5/20/25. The Agency issued a denial on 9/8/25 for failure to provide the documents set forth above.

Regarding the Warner Bros. Discovery investment account (Warner Bros), the Agency acknowledges receiving two account statements (dated 3/13/25 and 6/10/25) (R-4), a letter from Computershare (the transfer agent for Warner Bros) (R-3), and written explanations from the DAR (R-5). The DAR explained, "AT&T spun off their stocks to Warner Bros due to AT&T merging with Warner Bros on April 8, 2022...[t]herefore, there would be no statements for Warner Bros from 2019 through April 2022...[t]he 18 shares of AT&T stock were converted into 4 shares of Warner Bros Discovery...[t]here have been no transactions for Warner Bros Discovery stock thus not creating a transaction history nor statements." In other words, the only statements that exist for the Warner Bros account are the ones the DAR provided to the Agency (dated 3/13/25 and 6/10/25), which were generated when the DAR asked Computershare for statements. On those occasions, Computershare also told her that no other statements exist because there was no other account activity. The DAR further confirmed that the follow-up letter from Computershare dated 7/18/25, which stated it was "separately mailing account statement for AT&T and Warner Bros," contained only the two statements (dated 3/13/25 and 6/10/25). There is nothing more the DAR can provide.

Regarding the Agency's request for a "letter on letterhead from the YSA Reimbursement Company," the Agency acknowledges receiving bank statements and detailed spreadsheets confirming the twenty-two YSA deposits of \$152 (R-7) and written explanations from the DAR (P-7, P-8). The DAR explained, "The Your Spending Account (YSA) is a private, employer-sponsored, employer-funded medical reimbursement benefit...[it] is not a savings account or a bank account, and no funds are deposited or held in the employee's name..." (P-7). Thus, there is no "YSA Reimbursement Company" from which the DAR can obtain a letter on letterhead. The YSA benefit is also not an account, so there are no statements to obtain. The company/employer that paid the YSA benefit is AT&T. The DAR attempted to contact AT&T even though the Agency requested a letter from "YSA Reimbursement Company," which doesn't exist. She contacted AT&T via phone, email and regular mail but received no response. There is nothing more the DAR can provide.

ORDER

I **ORDER** that:

- Petitioner's appeal is **DISMISSED** because petitioner has **NO STANDING**.
- Petitioner's Medicaid Only application is **DENIED** under N.J.A.C. 10:71-2.2(e).
- Respondent must **EXTEND** the time limit for verification under N.J.A.C. 10:71-2.3(c).
- The case be **RETURNED** to respondent for respondent to **PROCESS** the application to determine eligibility under N.J.A.C. 10:71.

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.

02/20/2026
DATE



Andrea Perry Villani, ALJ
02/20/2026

Date Record Closed:

02/20/2026

Date Filed with Agency:

02/20/2026

Date Sent to Parties:

APPENDIX

Witnesses

For Petitioner:

Miriam Frankel

For Respondent:

Barbara Sandargus

Exhibits

For Petitioner:

- P-1 Application dated 3/31/25
- P-2 Denial dated 9/8/25
- P-3 Warner Bros. letter with Google search
- P-4 AT&T Computershare statement
- P-5 Warner Bros. Computershare statement
- P-6 Warner Bros. history statement
- P-7 YSA reimbursement explanation letter
- P-8 YSA reimbursement payment ledger
- P-9 Application dtated 9/29/25
- P-10 Denial dated 1/16/26

For Respondent:

- R-1 Application dated 3/31/25
- R-2 RFI dated 5/20/25
- R-3 Warner Bros. Computershare letter
- R-4 Warner Bros. Computershare statements
- R-5 Statements from DAR
- R-6 Spreadsheet of Warner Bros. stock prices
- R-7 Letter from DAR and spreadsheet of YSA deposits