



State of New Jersey

DEPARTMENT OF HUMAN SERVICES

Division of Medical Assistance and Health Services

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Acting Commissioner

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Lt. Governor

GREGORY WOODS
Assistant Commissioner

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

R.J.,

PETITIONER,

v.

DIVISION OF MEDICAL ASSISTANCE

AND HEALTH SERVICES AND

MIDDLESEX COUNTY BOARD OF

SOCIAL SERVICES,

RESPONDENTS.

ADMINISTRATIVE ACTION

FINAL AGENCY DECISION

OAL DKT. NO. HMA 13463-25

As Assistant Commissioner for the Division of Medical Assistance and Health Services, I have reviewed the record in this case, including the Initial Decision and the Office of Administrative Law (OAL) case file. No exceptions were filed in this matter. Procedurally, the time period for the Agency Head to render a Final Agency Decision is March 9, 2026, in accordance with N.J.S.A. 52:14B-10 which requires an Agency Head to adopt, reject, or modify the Initial Decision within 45 days of the agency's receipt.

This matter arises from the imposition of a transfer penalty on Petitioner's receipt
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of Medicaid benefits. By letter dated June 23, 2025, the Middlesex County Board of Social Services (Middlesex County) advised Petitioner that a penalty of 101 days was assessed on Petitioner's receipt of Medicaid benefits resulting from the transfer of assets totaling \$40,700 for less than fair market value, during the five-year look-back period. (Exhibit B). Petitioner is not disputing the transfer penalty, only the effective date of eligibility. ID at 5. Middlesex County determined that a broken watch from Petitioner's deceased mother and a school ring from Petitioner's deceased spouse had a total value of \$1,200 which put Petitioner over the resource limit for a period of time. Ibid. The Initial Decision found that the two items are excludable resources and therefore Petitioner was under the resource limit as of August 1, 2024. Ibid.

A resource that is classified as excludable will not be considered either in the deeming of resources or the determination of eligibility for the Medicaid-only program. N.J.A.C. 10:71-4.4(a). Personal effects and household goods less than \$2,000 are excludable resources. N.J.A.C. 10:71-4.4(b)(3). Personal effects are defined as (i) items of personal property ordinarily worn or carried by the individual; or (ii) articles otherwise having an intimate relation to the individual. 20 C.F.R. § 416.1216. Such items include, but are not limited to, personal jewelry, personal care items, and items of cultural or religious significance. Ibid.

In the Initial Decision, the ALJ determined that Petitioner had total countable resources, including the two pieces of jewelry at issue which had a value of \$1,200, well over the resource limit of \$2,000 for April through July 2024. ID at 3. (Exhibit C). On August 1, 2024, Petitioner's total countable resources were \$3,058.15. Ibid. The ALJ concluded that the watch and ring held sentimental value to Petitioner and were not held for their monetary value or as an investment and therefore those items were excludable resources. ID at 5. Once those items were deducted from the countable resources,

Petitioner would be below the resource limit as of August 1, 2024. Ibid. I agree.

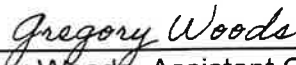
I FIND that the broken watch from Petitioner's deceased mother and the school ring from Petitioner's deceased spouse are personal effects less than \$2,000 and are excludable resources.

Thus, based on the record before me and for the reasons enumerated above, I hereby ADOPT the Initial Decision and FIND that the transfer penalty of 101 days was appropriate and that the two pieces of jewelry are excludable and shall be deducted from Petitioner's countable resources, resulting in a transfer penalty ending on November 9, 2024.

THEREFORE, it is on this 2nd day of MARCH, 2026

ORDERED:

That the Initial Decision is hereby ADOPTED.



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