



State of New Jersey

DEPARTMENT OF HUMAN SERVICES

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

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CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

JENNIFER VELEZ
Commissioner

VALERIE HARR
Director

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

J.C.,	:	
	:	
PETITIONERS,	:	ADMINISTRATIVE ACTION
	:	
V.	:	ORDER OF RETURN
	:	
DIVISION OF MEDICAL ASSISTANCE	:	OAL DKT. NO. HMA 9134-2014
	:	
AND HEALTH SERVICES &	:	
	:	
BERGEN COUNTY BOARD OF	:	
	:	
SOCIAL SERVICES,	:	
	:	
RESPONDENTS.	:	

As Director of the Division of Medical Assistance and Health Services, I have reviewed the record in this matter, consisting of the Initial Decision, the documents in evidence and the contents of the 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 November 28, 2014, in accordance with an Order of Extension.

This matter concerns Petitioner's application in January 2014. He was found eligible and began receiving benefits. In August 2014 Bergen County issued a termination notice stating that Petitioner was neither aged or disabled which are required for eligibility under the New Jersey Care/Aged Blind and Disabled program. Bergen County then sought recovery of overpayments of \$3,950.64 for incorrectly paid benefits.

The Initial Decision reversed the denial of benefits and the overpayment amount. The ALJ found that Petitioner was disabled due to his receipt of Retirement, Survivors, and Disability Insurance (RSDI). However, without a benefit letter, I FIND that the record is unclear whether Petitioner was receiving these benefits due to disability or early retirement. Thus, I cannot uphold the finding that Petitioner was disabled.

However, as of January 1, 2014, the financial methodologies set forth in the Affordable Care Act (ACA) regulations are used in determining the financial eligibility of most individuals for Medicaid.¹ The ACA regulations establish a new method for counting income based upon an applicant's modified adjusted gross income (MAGI). See 42 CFR § 435.603. It is unclear if Bergen County used the MAGI rules when it first determined Petitioner's case. It appears that they did not screen him for ACA eligibility which he may be eligible for until he turned 65. As such, I hereby REVERSE the Initial Decision in so much as Petitioner's status as disabled is unsupported by the record and RETURN the matter to Bergen County for further review of Petitioner's January application using MAGI rules. In so

¹ Individuals age 65 and older and those who qualify for Medicaid based on disability are not affected by the new rules. Petitioner's eligibility status after he turned 65 in September 2014 would have to be reviewed under those rules.

much as Petitioner's income as set forth in the record appears to under the ACA limit, I FIND that no recoupment of incorrectly paid benefits can be established.

THEREFORE, it is on this ^{24th} day of NOVEMBER 2014

ORDERED:

That the Initial Decision in this matter is hereby REVERSED;

That Bergen County's determination that Petitioner received incorrectly paid benefits is REVERSED; and

That this matter is hereby RETURNED to Bergen County Board of Social Services to recalculate Petitioner's January 2014 application using MAGI.



Valerie Harr, Director
Division of Medical Assistance
and Health Services