



CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

State of New Jersey
DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES
PO Box 712
TRENTON, NJ 08625-0712

JENNIFER VELEZ
Commissioner

VALERIE HARR
Director

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

G.N.,	:	
PETITIONER,	:	ADMINISTRATIVE ACTION
V.	:	FINAL AGENCY DECISION
DIVISION OF MEDICAL ASSISTANCE	:	OAL DKT. NO. HMA 7805-2014
AND HEALTH SERVICES &	:	ON REMAND
BERGEN COUNTY BOARD OF	:	OAL DKT. NO. HMA 1899-2014
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 January 8, 2015, in accordance with an Order of Extension.

This matter concerns the eligibility date so as to start the penalty period due to Petitioner's transfer of assets in July 2009 and August 2013 totaling

\$23,361. Petitioner planned to have an annuity purchased in September 2013 with \$27,144 used to pay her nursing home expenses while she is penalized for 2 months and twenty-nine days. The matter was remanded for clarification as to Petitioner's eligibility date under the Medically Needy Program. With monthly income of \$10,537.92, Petitioner had to establish eligibility under the Medically Needy Program which is premised on using unpaid medical bills to reduce income to establish eligibility. N.J.A.C. 10:70-6.2. Medically Needy sets payment for long term care "on the day following the day that spenddown is met." See R-6 Medicaid Communication 95-11 Instructions at 4. Since a transfer penalty can only begin when Petitioner is otherwise eligible for benefits, absent a bill that could be covered by Medicaid, the transfer penalty cannot begin. See J.Z. vs. DMAHS and Bergen County Board of Social Services, OAL Dkt. No. HMA 10601-10. Petitioner had to apply medical bills against that income.

The Initial Decision on remand found that Petitioner did not have any unpaid medical bills until December 1, 2013. As such eligibility could not be established until that date with the two month and twenty-nine day penalty running until March 1, 2014. Based on my review of the record, I concur with the Initial Decision.

THEREFORE, it is on this 2nd day of JANUARY 2015

ORDERED:

That the Initial Decision in this matter is hereby ADOPTED.



Valerie Harr, Director
Division of Medical Assistance
and Health Services