



State of New Jersey

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

P.O. Box 712
Trenton, NJ 08625-0712

CHRIS CHRISTIE
Governor

ELIZABETH CONNOLLY
Acting Commissioner

KIM GUADAGNO
Lt. Governor

VALERIE HARR
Director

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

N.L.,

PETITIONER,

v.

DIVISION OF MEDICAL ASSISTANCE
AND HEALTH SERVICES AND
HUNTERDON COUNTY BOARD OF
SOCIAL SERVICES,
RESPONDENTS.

Vertical line of colons separating the parties from the case details.

ADMINISTRATIVE ACTION

FINAL AGENCY DECISION

OAL DKT. NO. HMA 05882-15

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 entire contents of the OAL case file. No exceptions to the Initial Decision were filed. Procedurally, the time period for the Agency Head to file a Final Agency Decision is December 31, 2015 in accordance with an Order of Extension.

This matter arises from the Hunterdon County Division of Social Services (HCBSS) denial of Medicaid eligibility for Petitioner because the household income exceeded the maximum income limit pursuant to 42 C.F.R. 435.118(c)(2)(i). When Petitioner applied for herself and her children she stated that she was separated from her husband, that he continued to pay the mortgage and that she received \$1,500 per month in support. In March 2015, HCBSS reviewed Petitioner's eligibility and found that she and her husband had applied jointly at the state level a year earlier and stated the household income was \$5,000 to \$10,000 per month. Once HCBSS discovered Petitioner and her husband were living together, benefits were terminated and the matter referred to the Fraud Unit. Thereafter, HCBSS issued Notification of Debt letters to Petitioner for a total of \$36,151.50 in Medicaid payments made while Petitioner was ineligible to receive benefits.¹

Based upon my review of the record, I hereby ADOPT the Initial Decision of the Administrative Law Judge (ALJ). The Division is statutorily authorized to seek reimbursement of Medicaid overpayments. Indeed, recovery in this matter is based upon N.J.S.A. 30:4D-7.i., which mandates the Division "to take all necessary action to recover the cost of benefits incorrectly provided to . . . a recipient."

Here, Petitioner claimed to have a monthly income of \$1,500. However, Petitioner's bank records show monthly deposits ranging from a minimum of \$15,286 to a maximum of \$63,122. The facts of the case indicate that Petitioner was ineligible for Medicaid from September 14, 2011 through April 1, 2015 due to excess unreported household income. As a result, I agree with the ALJ that Hunterdon County

¹ On June 29, 2015, HCBSS issued Notification of Debt letters to Petitioner regarding incorrectly paid benefits. These letters were issued after Petitioner's request for fair hearing regarding the denial of Medicaid benefits was transmitted to the OAL. It is noted that the ALJ addressed both the denial and overpayment issues in the Initial Decision. Both parties were represented by counsel below and there is no indication in the record that either party

appropriately sought reimbursement for Medicaid payments made during the period of ineligibility.

THEREFORE, it is on this 20th day of November 2015,

ORDERED:

That Petitioner reimburse the Hunterdon County Division of Social Services for
incorrectly paid benefits in the amount of \$36,151.50.



Valerie J. Harr, Director
Division of Medical Assistance
and Health Services

objected to the inclusion of the overpayment issue. Furthermore, neither party raised this objection in exceptions. Therefore, I am satisfied that the parties were afforded adequate due process during these proceedings.