

(DAR), Yale S. Hauptman, Esq., filed a Medicaid application on Petitioner's behalf with Essex County.¹ P-2. On March 1, 2023, Essex County issued a request for additional information needed to determine eligibility. It is undisputed that Essex County requested Petitioner provide a detailed letter from the Department of Veteran's Affairs (VA), establish a Qualified Income Trust² (QIT), if necessary, and provide bank statements that show that Petitioner's combined resources were at or below \$2,000 the resource level to qualify for benefits. R-1. Ibid. Without this information, Essex County was unable to complete its eligibility determination and denied Petitioner's application for benefits.

Petitioner receives a VA survivor's pension. P-5. There are numerous categories of pension benefits, including but not limited to: Aid and Attendance, Improved Pension, Survivor's Pension and Housebound Care. Because there are varying benefit categories, Essex County, as the County Welfare Agency (CWA), requests detailed verification of the benefits an applicant is eligible to receive, including the specific dollar amount attributable to each benefit category. Med-Comm. No. 15-08. Certain VA benefits, like the Improved Pension (VAIP) are awarded as a result of the Unreimbursed Medical Expenses (UMEs) that reduce an applicant's income to \$0. Med-Comm. No. 15-08. These are not included as countable income during the eligibility determination process. Med-Comm. No. 15-08. Applicants may demonstrate that they are receiving a VAIP with an income \$0 by providing a detailed letter or other documentation from the VA reflecting the amounts of countable income and UMEs used to determine VAIP eligibility showing that the VA has determined that the UMEs reduce the applicant's income to \$0. Med-Comm. No. 15-08. Essex County alleges that Petitioner failed to provide such verification to it prior to the denial.

¹ Petitioner's counsel stated in a February 21, 2023 letter to Essex County that a previous application for benefits was filed in December 2022, which was denied for failing to provide requested verifications. P-2.

² Petitioner's counsel confirmed that no QIT had been established, and deemed any request to establish a QIT as being incorrect based on these set of facts. Ibid.

However, the issue before the OAL in this matter is not whether Petitioner's VA pension is being incorrectly included in Petitioner's income calculation to determine eligibility, as set forth in the Initial Decision. Administrative agencies have the discretion to determine whether a case is contested. N.J.S.A. 52:14f-7(a). The OAL acquires jurisdiction over a matter after it has been determined to be a contested case by an agency head. N.J.A.C. 1:1-3.2(a). A contested case is commenced in the State agency with appropriate subject matter jurisdiction. N.J.A.C. 1:1-3.1. DMAHS is the administrative agency within the Department of Human Services (DHS) that is charged with administering the Medicaid program. N.J.S.A. 30:4D-4. Here, the only issue before the OAL concerned the failure to provide specific verifications requested by Essex County prior to its March 16, 2023 denial. Instead, the Initial Decision discussed and made findings related to Petitioner's VAIP benefits being included as income, which does not form the basis for present appeal. The CWA makes the determination regarding what information is necessary in order to determine eligibility, regardless of whether the applicant agrees with the specific requests. In the present matter, Essex County concluded that the information requested was necessary to determine eligibility and requested that the Petitioner provided verification of same. Moreover, while certain types of VA benefits are not included in the applicant's countable income calculation to determine eligibility, they are considered when determining Petitioner's post-eligibility treatment of income. Accordingly, Essex County's requests related to Petitioner's VA pension amount was appropriate. Moreover, documentation related to the VA pension was not the only items outstanding at the time of the denial. Essex County stated on the denial letter that bank statements, showing Petitioner met the resource limit to qualify for benefits, were also outstanding.

For the aforementioned reasons, I hereby REVERSE the Initial Decision's findings that Petitioner is entitled to benefits as of November 1, 2022 and REMAND the matter for a determination related solely as to whether Petitioner timely provided the outstanding

verifications prior to the denial of Petitioner's application. I further note that if the ALJ determines that the requested verifications were timely provided, the matter should be returned to Essex County to determine eligibility, as additional information may still be needed and an eligibility determination cannot yet be made in this matter.

THEREFORE, it is on this 28th day of AUGUST 2023,

ORDERED:

That the Initial Decision is hereby REVERSED and REMANDED, as set forth herein.



Jennifer Langer Jacobs, Assistant Commissioner
Division of Medical Assistance and Health Services