



State of New Jersey

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES
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Commissioner

JENNIFER LANGER JACOBS
Assistant Commissioner

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

C.L.,

PETITIONER,

v.

DIVISION OF MEDICAL ASSISTANCE

AND HEALTH SERVICES AND

SUSSEX COUNTY DIVISION OF

SOCIAL SERVICES,

RESPONDENTS.

Vertical line of dots separating petitioner and respondents

ADMINISTRATIVE ACTION

FINAL AGENCY DECISION

OAL DKT. NO. HMA 07423-2022

(ON REMAND HMA 02256-2022)

As Assistant Commissioner for the Division of Medical Assistance and Health Services (DMAHS), 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 January 30, 2023, in accordance with an Order of Extension.

This matter arises from the February 17, 2022 denial of Petitioner's Medicaid application due to her failure to provide information that was necessary to determine eligibility. This matter was previously remanded to determine whether the only outstanding

documentation at the time of the February 17, 2022 denial were copies of bank statements for four bank accounts held by Petitioner.

Petitioner filed an application for Medicaid's Managed Long-Term Services and Supports (MLTSS) program with the Sussex County Division of Social Services (SCDSS) on January 10, 2022. On January 12, 2022, SCDSS sent a letter to Petitioner, requesting verification of certain information that were necessary to process the application, including copies of statements for all accounts solely or jointly owned by Petitioner, among other information. R-1. The letter advised that the requested verifications were due by January 22, 2022 and stated that "[i]f you do not have the information requested, send a letter of explanation." Ibid. The January 12, 2022 letter additionally advised that the "[f]ailure to provide requested verifications may result in a denial of your Medicaid application. Upon review of the requested information, additional documentation may be required." Ibid.

On February 2, 2022, SCDSS issued a second letter seeking the verification of additional information and requested bank statements for four separate bank accounts held by Petitioner<sup>1</sup> and written explanations related to transactions of \$500 or more. Ibid. Petitioner's application did not list three of these bank accounts. Ibid. SCDSS discovered the accounts after an electronic Asset Verification System (AVS) search. ID at 4. The February 2, 2022 letter additionally requested documentation related to life insurance policies held by Petitioner, a clearer affidavit of title that was previously provided, a written statement of her relationship to persons on utility bills at her address, the determination letter from a prior Medicaid application in Hudson County, copies of vehicle registrations or invoices from car sales, settlement statements for home sales since 2012, and tax returns from 2012 through 2021. R-1. The letter additionally requested all of information related to any other income or resource not previously disclosed on Petitioner's application. Ibid. The February

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<sup>1</sup> The February 2, 2022 letter requested statements from August 2012 to present for one account, from opening to present for two other accounts, and from April 2021 through present for the forth account. R-1.

2, 2022 letter advised that the requested verifications were due by February 16, 2022. Ibid. Again, the letter stated that “[i]f you do not have the information requested, send a letter of explanation.” Ibid.

On February 7, 2022, Petitioner spoke with SCDSS because she sought clarification regarding the verification requests. ID at 4-5. Petitioner testified that she advised SCDSS that she spoke with the bank and was told that it would take seven to ten business days to obtain the statements. Id. at 5. However, Petitioner did not request an extension of time to provide the documentation. Ibid. SCDSS did not receive the requested statements, or any of the other requested verifications, by the February 16, 2022 deadline. Accordingly, on February 17, 2022, SCDSS denied Petitioner’s application due to her failure to provide the requested verifications. R-1. Petitioner received copies of her bank statements on February 19, 2022 and submitted same to SCDSS on February 22, 2022 with a copy of the requested affidavit of title. R-2. In reviewing Petitioner’s subsequent application for Medicaid benefits, it was determined that the bank statements that Petitioner provided to SCDSS on February 22, 2022 did not contain all of the requested statements included on the previously issued verification letters. R-2. As of February 22, 2022, SCDSS was additionally missing the remaining bank statements previously requested for the four accounts, Petitioner’s tax returns, her determination letter from Hudson County, and verification of and registration for vehicles that she owned. Ibid. On February 23, 2022, SCDSS received a letter from Petitioner attesting to some of the previously requested verifications. Ibid. No further documentation was provided in relation to that application. Ibid.

Both the County Welfare Agency (CWA) and the applicant have responsibilities with regard to the application process. N.J.A.C. 10:71-2.2. Applicants must complete any forms required by the CWA; assist the CWA in securing evidence that corroborates his or her statements; and promptly report any change affecting his or her circumstances. N.J.A.C. 10:71-2.2(e). The CWA exercises direct responsibility in the application process to inform

applicants about the process, eligibility requirements, and their right to a fair hearing; receive applications; assist applicants in exploring their eligibility; make known the appropriate resources and services; assure the prompt accurate submission of data; and promptly notify applicants of eligibility or ineligibility. N.J.A.C. 10:71-2.2(c) and (d). CWAs must determine eligibility for Aged cases within forty-five days and Blind and Disabled cases within ninety days N.J.A.C. 10:71-2.3(a) and 42 CFR § 435.912. The timeframe may be extended when documented exceptional circumstances arise preventing the processing of the application within the prescribed time limits. N.J.A.C. 10:71-2.3(c). The regulations do not require that the CWA grant an extension beyond the designated time period when the delay is due to circumstances outside the control of both the applicant and the CWA. At best, an extension is permissible. N.J.A.C. 10:71-2.3; S.D. v. DMAHS and Bergen County Board of Social Services, No. A-5911-10 (App. Div. February 22, 2013).

The Initial Decision in this matter affirmed the denial of Petitioner's application, finding that while SCDSS should have provided additional time for Petitioner to submit the requested bank statements based upon Petitioner's difficulties obtaining the statements, Petitioner still failed to provide the verifications within her control by the stated February 16, 2022 deadline. I agree with the Initial Decision's ultimate conclusion that the denial be affirmed; however, I disagree that SCDSS was required to provide additional time for Petitioner to provide the bank statements. Although the specific accounts were not referenced in the January 12, 2022 letter, as Petitioner did not inform SCDSS of the existence of three of her bank accounts and an AVS search was not performed prior to the issuance of that letter, the letter requested bank statements from all accounts solely or jointly owned by Petitioner. Accordingly, Petitioner was aware of the need for bank statements from all of the accounts that she owned prior to the February 2, 2022 letter being issued. The January 12, 2022 letter also informed Petitioner that if the verifications were not received, then her application could be denied. Moreover, the February 2, 2022 letter specifically advised Petitioner that the requested

verifications were due by February 16, 2022. Both verification letters advised that if the documentation could not be provided, a letter of explanation should be submitted. Petitioner did not submit all of the statements, other requested documentation, or a letter of explanation prior to the February 16, 2022 deadline nor did she request an extension of time to provide any of the requested documentation, including the bank statements. When no response to the verification request was received by February 16, 2022, SCDSS appropriately denied Petitioner's application.

Moreover, while Petitioner did supply some of the documentation and a written letter attesting to the some of the requests in the February 2, 2022 letter, these submissions occurred after the February 17, 2022 denial in this matter. SCDSS that was not required to accept the documentation in relation to Petitioner's January 2022 application after the denial letter was issued. See MedCom No. 10-09 (stating "After the denial letter is sent, no further documentation will be accepted by the Agency. The applicant or their representative will be informed that a new application must be submitted.").

Accordingly, for the reasons set forth above, I hereby ADOPT in part and REVERSE in part the Initial Decision and FIND that SCDSS's denial of Petitioner's January 2022 application due to her failure to provide requested verifications was appropriate.

THEREFORE, it is on this 27th day of JANUARY 2023,

ORDERED:

That the Initial Decision is hereby ADOPTED in part and REVERSED in part, as set forth above.

**carol a  
grant**

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