

State of New Jersey

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

SARAH ADELMAN Commissioner

JENNIFER LANGER JACOBS Assistant Commissioner

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

J.S.,

PETITIONER,	ADMINISTRATIVE ACTION
ν.	FINAL AGENCY DECISION
MONMOUTH COUNTY BOARD OF	: OAL DKT. NO. HMA 02694-22
SOCIAL SERVICES	: ON REMAND HMA 09595-21 :
RESPONDENTS.	

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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 file a Final Agency Decision is May 26, 2023, in accordance with N.J.S.A. 52:14B-10, which requires an Agency Head to adopt, reject, or modify the Initial Decision within 45 days of receipt. The Initial Decision was received on April 11, 2023.

This matter arises from the imposition of a transfer penalty on Petitioner's receipt of Medicaid benefits. Based upon my review of the record, I hereby adopt the findings and conclusions of the Administrative Law Judge in their entirety, and I incorporate the same herein by reference. In reaching this decision, I accept the ALJ's fact-findings, which are based, in part, upon her assessment of the witnesses who testified at the administrative

PHILIP D. MURPHY Governor

SHEILA Y. OLIVER

Lt. Governor

hearing. The fact-finder's assessment of the credibility of witnesses is entitled to deference by the reviewing agency head. <u>Clowes v. Terminix</u>, 109 <u>N.J.</u> 575 (1988).

The transfer at issue concerns the sale of Petitioner's home to her daughter for \$250,000. Fair market value is "an estimate of the value of an asset, based on generally available market information, if sold at the prevailing price at the time it was actually transferred." N.J.A.C. 10:71-4.10(b)(6) (emphasis added). The equity value of real property is "the tax assessed value of the property multiplied by the reciprocal of the assessment ratio as recorded in the most recently issued State Table of Equalized Valuations, less encumbrances, if any..." N.J.A.C. 10:71-4.1(d)(1)(iv). The regulation is very specific, it states that "[t]he equity value of real property is" based on this calculation and does not leave room for interpretation. Monmouth County determined the equalized value of the home to be \$354,745. While the tax assessed value of a home is not necessarily an accurate reflection of the price that the property "can reasonably be expected to sell for on the open market in the particular geographic area" absent credible independent evidence, the regulation provides for a uniform determination of the value of property, which can be a subjective art. N.J.A.C. 10:71-4.1(d). See also N.J.A.C. 10:71-4.7(b). Here, Petitioner was able to produce credible, independent evidence that the fair market value of her house at the time it was sold was \$277,000. Accordingly, the transfer penalty should be reduced to \$27,000, to reflect the difference between the fair market and the sale price.

THEREFORE, it is on this day of MAY 2023,

ORDERED:

That the Initial Decision is hereby ADOPTED.

Carol A Grant OBO Jennifer Langer Jacobs Digitally signed by Carol A Grant OBO Jennifer Langer Jacobs Date: 2023.05.10 16:20:23 -04'00'

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