



requests for information needed to determine eligibility. The final request was issued on July 7, 2021, and the denial letter was issued in August 2021. R-1.

On or about April 13, 2022, the undersigned reversed the previously-issued Initial Decision in this matter. That Initial Decision found that the facts were not in dispute and that Petitioner's application "was denied for misadministration of" the Qualified Income Trust (QIT). The April 13, 2022 Order of Remand found that this statement was incorrect. Specifically, the August 9, 2021<sup>1</sup> denial that was appealed enumerated six categories where additional information was required to process Petitioner's application and that information had not been provided. While Morris County requested information regarding the QIT, there were requests for information regarding other assets, and the sole basis for August 9, 2021 denial of Petitioner's application was his failure to provide the requested information. There is nothing in the letter that states that the funding of the QIT was at issue. Accordingly, the Order of Remand directed the OAL to solely determine whether the denial was appropriate based on Petitioner's failure to provide information necessary to determine eligibility.

On remand, the Administrative Law Judge, found that

[i]t is the position of both the [P]etitioner and [Morris County] that the [P]etitioner did provide all the information requested and necessary to decide [P]etitioner's eligibility for Medicaid benefits and that the information requested was needed to determine whether the QIT was properly funded. Once it was agreed that all the requested information was provided, the only remaining issue to be decided was whether the documents revealed a misadministration of the QIT that would disqualify [P]etitioner from Medicaid eligibility.

ID at 2. The Initial Decision then found that Petitioner's QIT was properly funded, even though the administrator of the QIT failed to deposit all of Petitioner's income, as set forth on Schedule A to the QIT document, in the QIT account every month. Based on this

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<sup>1</sup> The record references two denial letters issued by Morris County: one on August 3, 2021 and one on August 9, 2021. While both letters appear to be identical, only the August 9, 2021 denial letter was appealed and therefore, only that letter is the basis for the present appeal.

finding, the Initial Decision determined that the August 9, 2021 denial of Petitioner's application should be reversed and that Petitioner's application should be processed by Morris County. I disagree with this assessment.

As noted in the April 13, 2022 Order of Remand, 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. The issue transmitted to the OAL for a fair hearing in this matter related to the August 9, 2021 denial of Petitioner's application. That denial was solely based on Petitioner's failure to provide documentation that was necessary to process Petitioner's application. No other issue was transmitted with regard to Petitioner's Medicaid eligibility. While the parties may now agree that the requested documentation was provided,<sup>2</sup> there were no other issues that were ripe to be decided by the OAL in this matter. Morris County did not make any determination related to the funding of Petitioner's QIT that was affirmatively appealed by Petitioner or his representatives, and the OAL, thus, did not have jurisdiction to determine whether the QIT was properly funded. The decision in this matter should have solely related to the outstanding verification requests set forth on the August 9, 2021 letter that was appealed. Accordingly, I REVERSE the Initial Decision as it relates to the funding of Petitioner's QIT.

However, as the parties agreed that the outstanding verifications set forth on the August 9, 2021 denial letter were provided, I am RETURNING this matter to Morris County to process Petitioner's application. If it determined, after a review of the documentation, that

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<sup>2</sup> I note that although the Initial Decision asserts that the parties agree that the requested documentation was ultimately provided, there is nothing in the record to show that it was timely provided to Morris County prior to the issuance of the August 2021 denial in this matter.

Petitioner's application should be denied, Morris County is directed to issue a determination letter with appeal rights that specifically sets forth the basis for the denial. Petitioner will then have the opportunity to appeal that determination through the fair hearing process.

THEREFORE, it is on this 14th day of APRIL 2023,

ORDERED:

That the Initial Decision is hereby REVERSED and the matter is RETURNED to Morris County to process Petitioner's application in accordance with this decision.



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