



State of New Jersey

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The following Decision is distributed for your information. This Decision has been made in consideration of the specific facts of this case. This Decision is not to be interpreted as establishing any new mandatory policy or procedure otherwise officially promulgated.

STATE OF NEW JERSEY
DEPARTMENT OF HUMAN SERVICES

FINAL DECISION

OAL DKT. NO. HPW **18634-25 J.O.**

AGENCY DKT. NO. **C163806015 (OCEAN COUNTY BOARD OF SOC. SVCS.)**

Petitioner appeals from the Respondent Agency's termination of Emergency Assistance ("EA") benefits, and the imposition of a six-month period of ineligibility for such benefits. The Agency terminated Petitioner's EA benefits, and imposed a six-month EA ineligibility penalty, contending that she failed to comply with the terms of her EA service plan ("SP"). Because Petitioner appealed, the matter was transmitted to the Office of Administrative Law for a hearing. On January 13, 2026, the Honorable Judith Lieberman, Administrative Law Judge ("ALJ"), held a telephonic plenary hearing, took testimony, and admitted documents. The record was then held open to allow for the submission of additional documentation and closed on January 23, 2026. On February 6, 2026, the ALJ issued an Initial Decision, reversing the Agency's determinations.

Exceptions to the Initial Decision were received from the Agency on February 24, 2026.

As Assistant Commissioner, Division of Family Development, Department of Human Services, I have considered the ALJ's Initial Decision, and following an independent review of the record, I hereby ADOPT the Initial Decision, REVERSE the Agency's determination, and REMAND the matter to the Agency for further action, based on the discussion below.

The purpose of EA is to meet the emergent needs of public assistance recipients, such as imminent homelessness, so that the recipient can participate in work activities without disruption and continue on a path to self-sufficiency. N.J.A.C. 10:90-6.1(a). In order to maintain eligibility for EA benefits, the recipient must take reasonable steps to resolve his or her emergent situation. N.J.A.C. 10:90-6.6(a). Reasonable steps include, but are not limited to, the EA benefits recipient participating in the development of, and complying with, a written and signed SP. Ibid. Failure to comply with the requirements identified in the SP, without good cause, shall result in the termination of EA benefits and a six-month period of EA ineligibility. Ibid.

When an adult EA benefits applicant/recipient demonstrates functional incapacity, such as mental or cognitive impairment or evidence of alcohol or drug abuse, he or she shall be referred for a Substance Abuse Initiative/Behavioral Health Initiative ("SAI/BHI") evaluation and/or treatment, and the EA benefits recipient must agree to engage in appropriate treatment as part of their EA service plan. See N.J.A.C. 10:90-6.1(c)(1)(iii) and -6.6(a)(1)(iii)(7).

Here, the record reveals that Petitioner was approved for EA benefits and thereafter executed two EA SPs on January 27, 2025, and March 5, 2025, wherein she agreed, among other things, to remain drug and alcohol free, and wherein she was advised that failure to comply with her SP could affect her EA benefits eligibility. See Initial Decision at 2; see also Exhibits R-4; and N.J.A.C. 10:90-6.6(a). On August 8, 2025, Petitioner entered into an additional SP, which required her



participation in rehab/counseling program urine screenings and for her to complete SAI/BHI assessment and to comply with recommendations from the assessment. Ibid.

On July 30, 2025, the Agency received a MED-1 form indicating that Petitioner's physician had diagnosed her with "alcohol dependence with alcohol-induced anxiety disorder." See Initial Decision at 2; see also Exhibit R-2. An additional MED-1 form, dated August 5, 2025, reported similar conclusions but stated Petitioner was unable to participate in a work activity through November 30, 2025. See Initial Decision at 3; see also Exhibit R-2.

Based upon such information, the Agency referred Petitioner to SAI/BHI for an assessment on August 18, 2025, which assessment she completed, and it was recommended that she attend weekly mental health services. See Initial Decision at 3; see also Exhibit R-7. On August 27, 2025, however, Petitioner's SAI/BHI case was closed as Petitioner failed to sign the required release forms or to respond to any outreach attempts. Ibid. On September 18, 2025, Petitioner was scheduled for an additional SAI/BHI assessment on September 29, 2025. Ibid.

On September 23, 2025, the Agency notified Petitioner that her EA benefits would terminate effective October 23, 2025. See Initial Decision at 3; see also Exhibit R-1. On October 2, 2025, the Agency was informed that the SAI/BHI assessment did occur on September 29, 2025, however, on October 7, 2025, the SAI/BHI care coordinator informed the Agency that a referral for mental health services could not be accomplished as Petitioner no longer had Medicaid coverage. See Initial Decision at 3; see also Exhibit R-7. Petitioner was given until October 10, 2025, to reapply for Medicaid. Ibid. The record is devoid of any testimonial or documentary evidence as to whether, or when, Petitioner again began to receive coverage.

On November 17, 2025, an additional SP was executed which required Petitioner to remain drug and alcohol free, and to complete an SAI/BHI assessment, and to comply with such recommendations. See Initial Decision at 3-4; see also Exhibit R-4.

At the hearing, the Agency representative testified that Petitioner's EA benefits were terminated based upon the MED-1 forms, which reported her use of alcohol, which violated the terms of her SP, as well as Petitioner's failure to sign releases required by the SAI/BHI program to receive treatment following the August 27, 2025 assessment. See Initial Decision at 4; see also Exhibit R-7.

Petitioner argued that she does not have a substance abuse issue, but does have mental health issues and that she was unable to receive services following the loss of her Medicaid coverage. See Initial Decision at 4. Petitioner denied having received any forms that she had to sign to release information. Ibid.

Based on the testimonial and documentary evidence presented at the hearing, the ALJ found that the Agency issued their termination notice on September 23, 2025, which was prior to the scheduled September 29, 2025 assessment appointment for Petitioner, thus, the ALJ concluded that Petitioner was not given the opportunity to comply with the SAI/BHI recommendations. See Initial Decision at 5. Further, the ALJ found that once the September 29, 2025 assessment was completed, Petitioner was unable to attend further treatment due to her no longer having health insurance, and that, at the hearing, the Agency produced no evidence that any Agency representative discussed this barrier to compliance with Petitioner. Ibid. Based on the foregoing, the ALJ concluded that the Agency had failed to meet its burden of proving that Petitioner had failed to comply with the requirements contained in her EA SP, such that the Agency's termination of Petitioner's EA benefits, and the imposition of a six-month EA ineligibility penalty, were improper. See Initial Decision at 5-6; see also N.J.A.C. 10:90-6.1(c)(3)(ix), 6.6(a). I agree, however, based upon the circumstances presented within the record, I emphasize that Petitioner should understand that this is her final chance to comply with an SAI/BHI assessment and any determinations resulting from such evaluation.

Therefore, I am remanding the matter back to the Agency so that an expedited evaluation may be conducted to determine if Petitioner's non-compliance with the SP was by reason of good cause. Specifically, the Agency should determine if Petitioner is currently able to receive services based upon her Medicaid coverage. Further, as a result of such evaluation, should Petitioner be required to engage in mental health services/treatment(s), those requirements shall be incorporated into Petitioner's EA SP. See N.J.A.C. 10:90-6.1(c)(1)(iii), -6.3(g), -6.6(a)(1)(iii)(7). Petitioner is further advised that she will be required to follow through with services to address such barriers for continued EA eligibility, as well as to comply with all other SP requirements, and that failure to do so will result in the termination of EA benefits, and the imposition of a six-month period of ineligibility for EA benefits. See N.J.A.C. 10:90-6.6(a).

Accordingly, the Initial Decision in this matter is hereby ADOPTED and the Agency's determinations are REVERSED, and the matter REMANDED to the Agency for action, as outlined above.



Officially approved final version. April 09, 2026

Natasha Johnson
Assistant Commissioner

