



State of New Jersey

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES
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CHRIS CHRISTIE
Governor

ELIZABETH CONNOLLY
Acting Commissioner

KIM GUADAGNO
Lt. Governor

VALERIE HARR
Director

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

K.L.,
PETITIONER,
v.
DIVISION OF MEDICAL ASSISTANCE
AND HEALTH SERVICES AND
GLOUCESTER COUNTY BOARD OF
SOCIAL SERVICES,
RESPONDENTS.
ADMINISTRATIVE ACTION
FINAL AGENCY DECISION
OAL DKT. NO. HMA 11454-2014

As Director of the Division of Medical Assistance and Health Services, I have reviewed the record in this case, including the Initial Decision, the OAL case file and the documents in evidence. No exceptions were filed. Procedurally, the time period for the Agency Head to file a Final Agency Decision in this matter is April 13, 2015, in accordance with an Order of Extension.

Petitioner applied for Medicaid benefits in October 2013. At the time she disclosed trust that she established in 1991. Petitioner was the settlor, the beneficiary and the trustee. However, due to her institutionalization, her son has

assumed the role of trustee. That application was denied as Gloucester County determined that the trust was an available resource. A second application was filed in May 2014. Gloucester County again denied the application due to excess resources. At the fair hearing the parties agreed to resolve the matter through motions for summary decision.

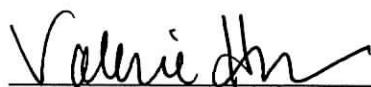
After the first denial, Petitioner's son used the trust to pay for Petitioner's care. He contends that this was in error and that the Petitioner now must reimburse the trust \$78,824.28. Petitioner has assets of \$59,489.36 which she believes needs to be repaid to a trust due to West Virginia law. Petitioner's Brief at 2. That amount alone would render Petitioner ineligible for benefits.

The trust presented contains Petitioner's assets and was established by Petitioner for her own benefit. She controlled all aspects of the trust as its primary trustee and had access to the income from the trust as the beneficiary and to the income and the principal as the trustee. See Trust at 3 and 7. At some point, her son assumed the role of trustee. For the reasons set forth in the Initial Decision, I hereby ADOPT the findings that Petitioner's application was properly denied. Petitioner's assets, including the trust, exceed the \$2,000 Medicaid resource standard.

THEREFORE, it is on this ^{8th} day of APRIL 2015

ORDERED:

That the Initial Decision is hereby ADOPTED.



Valerie Harr, Director
Division of Medical Assistance
and Health Services