



State of New Jersey

DEPARTMENT OF HUMAN SERVICES

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

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Governor

SHEILA Y. OLIVER  
Lt. Governor

CAROLE JOHNSON  
Commissioner

MEGHAN DAVEY  
Director

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

E.H.,

PETITIONER,

v.

DIVISION OF MEDICAL ASSISTANCE

AND HEALTH SERVICES AND

BERGEN COUNTY BOARD OF

SOCIAL SERVICES,

RESPONDENTS.

ADMINISTRATIVE ACTION

ORDER OF REMAND

OAL DKT. NO. HMA 16897-2017

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 filed below. No exceptions were filed. Procedurally, the time period for the Agency Head to file a Final Decision is September 13, 2018, in accordance with an Order of Extension. The Initial Decision was received on June 15, 2018.

This matter arises from the Bergen County Board of Social Services' denial of Petitioner's Medicaid eligibility due to failure to provide the information requested by the County in order to establish Petitioner's eligibility for benefits. On the date of the scheduled OAL hearing, the parties entered into a Stipulation of Settlement whereby the parties agreed that Petitioner's Medicaid eligibility date would be August 1, 2017. The Stipulation of Settlement further stated that "Medicaid will cover the deficit" of monies remaining due and owing at the nursing facilities where Petitioner resided/resides after payments from other sources were applied to Petitioner's bills at those facilities.

I hereby REJECT the Settlement as the basis of the denial Petitioner's application for Medicaid was failure to provide information required to establish Petitioner's eligibility for benefits. The Settlement does not address or resolve this issue beyond stating, in a conclusory manner, that Petitioner's eligibility date would be August 1, 2017. Additionally, and more significantly, the Settlement between the parties reflects a fundamental misunderstanding of Medicaid. The purpose of the application process is to determine eligibility for Medicaid benefits, not to address claims payment issues. Once eligibility is determined, payment for Medicaid covered services is made based on other Medicaid regulations and the Medicaid payment rate as set forth in those regulations; Medicaid does not "cover the deficit" after all of an applicant's other income is applied to the applicant's bill(s) at a facility. The Stipulation of Settlement does not dispose of all issues in controversy and does not resolve the denial. Nothing in the record indicates that Bergen County was incorrect in denying Petitioner's application for benefits. Rather, documents in the record seem to address a subsequent application for Medicaid filed by E.H.; that application was also denied and was appealed to the OAL. Thus, I REJECT the Settlement Agreement as it does not comply with

the law nor does it resolve the denial of Petitioner's benefits and I REMAND the matter for further proceedings.

THEREFORE, it is on this 7<sup>th</sup> day of SEPTEMBER 2018,

ORDERED:

That the Initial Decision approving the terms of the Settlement Agreement in this matter is hereby REJECTED; and

That the matter is hereby REMANDED to the Office of Administrative Law for further action on the denial of Petitioner's Medicaid eligibility.

  
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Meghan Davey, Director  
Division of Medical Assistance  
and Health Services