



**State of New Jersey**  
**Department of Human Services**  
**Division of Medical Assistance and Health Services**  
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**PHILIP D. MURPHY**  
Governor

**Carole Johnson**  
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**Sheila Y. Oliver**  
Lt. Governor

**Meghan Davey**  
Director

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

J.W.

PETITIONER,

**ADMINISTRATIVE ACTION**

v.

**FINAL AGENCY DECISION**

GLOUCESTER COUNTY BOARD OF  
SOCIAL SERVICES,

**OAL DKT. NO. HMA 04839-18**

RESPONDENT.

As Director of the Division of Medical Assistance and Health Services, I have reviewed the record in this case, including the Initial Decision, the documents in evidence, and Petitioner's and Respondent's exceptions to the Initial Decision. Procedurally, the time period for the Agency Head to file a Final Agency Decision in this matter is August 30, 2018 in accordance with an Order of Extension. The Initial Decision was received on June 1, 2018.

This matter concerns the March 9, 2018 denial of Petitioner's Medicaid application due to the failure to provide requested verifications. On September 29, 2017, Gloucester County Board of Social Services (GCBSS) received Petitioner's Medicaid application. The application was signed by Petitioner and M.M., Petitioner's daughter

and authorized representative. On that same day, in connection with her Medicaid application, Petitioner provided a Wells Fargo bank statement identifying a Qualified Income Trust (QIT). By letter dated November 2, 2017, GCBSS advised Petitioner that she needed to provide a complete QIT packet, supporting bank documents and bank statements showing the trust was funded with a source of income indicated on trust documents. The second page of the letter directs the reader to a website where additional information could be found regarding QIT requirements. That website provides a list of the QIT document requirements and a link to the QIT document. On November 28, 2017, the GCBSS received additional QIT bank statements showing the trust was funded with \$1,145 of Petitioner's income, but Petitioner did not provide the QIT document itself.

Both GCBSS and the applicant have responsibilities with regard to the application process. N.J.A.C. 10:71-2.2. GCBSS as the County Welfare Agency (CWA) exercises direct responsibility in the application process to inform applicants about the process, eligibility requirements and their right to a fair hearing; receive applications; assist applicants in exploring their eligibility; make known the appropriate resources and services; assure the prompt and accurate submission of data; and promptly notify applicants of eligibility or ineligibility. N.J.A.C. 10:71-2.2(c) and (d). Applicants must provide the CWA with any verification requested. N.J.A.C. 10:71-2.2 (e) provides:

As a participant in the application process, an applicant shall:

1. Complete, with assistance from the CWA if needed, any forms required by the CWA as a part of the application process;
2. Assist the CWA in securing evidence that corroborates his or her statements; and

3. Report promptly any change affecting his or her circumstances.

[Emphasis supplied].

Additionally, N.J.A.C. 10:71-3.1(b) requires the applicant to substantiate her application with corroborative evidence from pertinent sources in support of her application for eligibility.

The Medicaid application itself asks the applicant to disclose trust information, including the names of the grantor, trustee and beneficiary as well as the trust's source of income, date of initial funding and tax identification number. Petitioner did not provide any of this information in connection with the application itself, nor did it appear on the QIT bank statement supplied that same day. The November 2, 2017 GCBSS letter notified Petitioner that a she needed to establish a QIT and provide that QIT to GCBSS. Not only did the letter direct Petitioner to a source identifying QIT requirements, it also directed her to the draft QIT document itself. Moreover, Petitioner was aware of the QIT document at least as early as the date that she opened the QIT at Wells Fargo bank, which preceded the date of the Medicaid application. Yet, she relied on the fact that the bank did not need the document to set up a trust rather than enquire as to its necessity with GCBSS.

Most significantly, however, the QIT document was not signed or notarized until March 19, 2018. As of December 1, 2014, New Jersey received federal authority to cease covering nursing home services under Medically Needy and permit applicants, who needed institutional level of care in a nursing facility, an AL facility or home and had income in excess of \$2,163 (\$2,199 in 2016 and \$2,205 in 2017) to place the excess income in a QIT, also known as a Miller Trust, and obtain Medicaid benefits. See 42 U.S.C. § 1396p(d)(4)(B). Petitioner's income of \$2,304 would render her ineligible until

a QIT was established. By placing excess income in a QIT, GCBSS is able to exclude that amount from the income limit. Until Petitioner established a QIT and placed her excess income in to the QIT, her income would be considered over the limit. This was not done until March 19, 2018, and therefore, could not have been supplied to GCBSS at the time of application, in response to the November 2, 2018 request for information or prior to the March 9, 2018 denial.

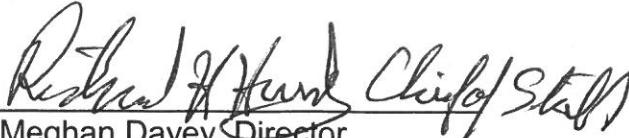
I FIND the credible evidence in the record demonstrates that Petitioner failed to provide the needed information prior to the March 9, 2018 denial of benefits. Without this information, GCBSS was unable to complete its eligibility determination and the denial was appropriate.

Based on my review of the record and for the reasons set forth above, I hereby REVERSE the Initial Decision and reinstate GCBSS' denial.

THEREFORE, it is on this <sup>20th</sup> day of JULY 2018,

ORDERED:

That the Initial Decision is hereby REVERSED.

  
Meghan Davey, Director  
Division of Medical Assistance  
and Health Services 