



State of New Jersey

DEPARTMENT OF HUMAN SERVICES

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

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PHILIP D. MURPHY
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

K.C.,

PETITIONER,

v.

DIVISION OF MEDICAL ASSISTANCE

AND HEALTH SERVICES AND

WARREN COUNTY BOARD OF

SOCIAL SERVICES,

RESPONDENTS.

ADMINISTRATIVE ACTION

FINAL AGENCY DECISION

OAL DKT. NO. HMA 6340-2018

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 July 26, 2018, in accordance with N.J.S.A. 52:14B-10 which requires an Agency Head to adopt, reject, or modify the Initial Decision within 45 days of receipt. The Initial Decision was received on June 11, 2018.

The matter arises regarding the termination of Petitioner's Medicaid benefits due to excess income. Petitioner is married and has two children. Their monthly income is \$861. However, Petitioner and one of her children are claimed by her father as tax dependents on

the father's income tax returns. Warren County terminated Petitioner's case as her father's income raised her countable income to \$5,140 a month.

The Affordable Care Act regulations establish a method for counting income based upon an applicant's Modified Adjusted Gross Income (MAGI). The countable income for MAGI is gross income according to the Internal Revenue Service Code. See 42 CFR § 435.603. Since MAGI methodology is based on the Internal Revenue Code, household compositions are identified as either tax filing or non-tax filing, with corresponding regulations governing each. 42 CFR § 435.603(f). As Petitioner is a tax dependent, her eligibility is reviewed under the tax-filer rules.

The Initial Decision determined that Warren County had properly terminated Petitioner's Medicaid benefits. Petitioner's contention that her father does not support her beyond purchasing minimal items cannot overcome the fact that he asserted such in his tax filing and 42 CFR § 435.603(f)(2) applies. Thus, I hereby ADOPT the Initial Decision affirming the denial. Petitioner may reapply should her tax dependence status change.

THEREFORE, it is on this 12th day of JULY 2018,

ORDERED:

That the Initial Decision is hereby ADOPTED.


Meghan Davey, Director
Division of Medical Assistance
and Health Services