

Unless specifically excluded, all resources are considered when determining Medicaid eligibility. N.J.A.C. 10:71-4.1(b). Real property that can be converted to cash for the support and maintenance of an individual is included in the resource determination. Additionally, Medicaid Communication No. 87-26 (effective August 18, 1987) instructs to temporarily exclude the value of a non-liquid resource if the Medicaid applicant or recipient agrees to and cooperates with a plan of liquidation. Once the resource is liquidated, if the individual's countable resources exceed the maximum limit, the county welfare agency will terminate eligibility until the individual's resources are spent-down to the appropriate limit.

The Medicaid Communication 87-26 requires that an applicant agree to sell a non-liquid resource and take steps to do so within six months. Here, Petitioners filed Medicaid applications in October 2021. On November 18, 2021, the BCBSS requested they sign a plan of liquidation. Petitioner did not provide a signed plan of liquidation. However, they did provide a settlement statement dated November 24, 2021. Approximately, a month later, they provided proof of a deposit in the amount listed in the November 24, 2021 settlement agreement. While Petitioners should have signed a plan of liquidation, I agree with the ALJ that they demonstrated not only a reasonable effort to sell their property, but that they also demonstrated the actual sale of the property within the six month time period prescribed by a plan of liquidation.

THEREFORE, it is on this ^{5th} day of AUGUST 2022,

ORDERED:

That the Initial Decision is hereby ADOPTED.



Jennifer Langer Jacobs, Assistant Commissioner
Division of Medical Assistance and Health Services