



for the months of August, September, and October 2020.<sup>1</sup> Petitioner, through her power of attorney (POA), J.K., appealed the determination, asserting that an earlier eligibility date should be granted. Based upon my review of the record, I hereby ADOPT the findings and conclusions of the Administrative Law Judge (ALJ).

The Initial Decision upheld the denial of Petitioner's request for retroactive Medicaid benefits, finding that Petitioner's income exceeded the 2020 Medicaid eligibility income limit of \$2,349 during that time. See Medicaid Communication No. 20-02. I concur. The record shows that Petitioner's income consisted of monthly Social Security payments in the amount of \$1,487 and monthly pension payments in the amount of \$1,083.<sup>2</sup> R1-B and R1-F. Petitioner's total monthly income, thus, was \$2,570 at the time that her application with Morris County was filed on November 23, 2020. Because Petitioner's income exceeded the Medicaid income limit, her only path to eligibility was through the establishment of a Qualified Income Trust (QIT).<sup>3</sup>

As of December 1, 2014, New Jersey received federal authority to cease covering nursing home services under Medically Needy and permit applicants, who needed

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<sup>1</sup> Petitioner was granted eligibility as of January 2021, as her Qualified Income Trust was not funded until January 2021. R1-k.

<sup>2</sup> Exhibit 1-B shows that Petitioner's pension payment was \$1,083 and Exhibit R1-F shows that Petitioner's pension payment was \$1,083.05. It is unclear from the record which amount is correct. I additionally note that Exhibit R1-F lists the \$1,487 monthly payment as unemployment benefits rather than Social Security benefits. This appears to be an error.

<sup>3</sup> I note that Petitioner previously applied for Medicaid on October 23, 2019. R1-B. Petitioner's application was denied as a result of her failure to provide verifications of certain information that were deemed necessary for Morris County to determine eligibility, including "a complete copy of the Qualified Income Trust (QIT) document including schedule A." R1-C, R1-D, and R1-E. Petitioner and her representatives were thus aware as early as November 6, 2019 when Morris County issued its first verification letter that a QIT was necessary for Petitioner's eligibility. See R1-C.

institutional level of care in a nursing facility, an assisted living facility or home and had income in excess of \$2,163 (\$2,349 in 2020) 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). By executing a written trust agreement, setting up the special bank account and depositing income into the account an applicant with excess income would become income eligible for Medicaid Managed Long Term Services and Supports (MLTSS), which includes nursing facilities. Medicaid Communication 14-15. Simply put, when an individual's monthly income is placed in a QIT federal law permits that income to be excluded when determining financial eligibility for Medicaid.

The record shows that a QIT for Petitioner was not set up and properly funded until January 2021. ID at 3. As a result, Petitioner was over the income limit to qualify for benefits until January 2021. Petitioner was, therefore, correctly deemed ineligible for retroactive benefits for the months of August, September, and October 2020 based upon her monthly income and eligibility was appropriately granted as of January 1, 2021.

Thus, for the reasons set forth in the Initial Decision and set forth above, I hereby ADOPT the Initial Decision in this matter. However, I note that Petitioner may be eligible for a deduction of her Pre-Existing Medical Expenses (PEME) from her income. See Medicaid Communication 18-10.

THEREFORE, it is on this <sup>22<sup>nd</sup></sup> day of FEBRUARY 2022,

ORDERED:

That the Initial Decision is hereby ADOPTED.



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