



State of New Jersey

DEPARTMENT OF HUMAN SERVICES

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

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

J.S.,

PETITIONER,

v.

DIVISION OF MEDICAL ASSISTANCE

AND HEALTH SERVICES AND

MORRIS COUNTY BOARD OF

SOCIAL SERVICES,

RESPONDENTS.

ADMINISTRATIVE ACTION

ORDER OF REMAND

OAL DKT. NO. HMA 7293-2021

As Assistant Commissioner 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. Neither party filed exceptions in this matter. Procedurally, the time period for the Agency Head to file a Final Decision is April 14, 2022 in accordance with an Order of Extension.

The matter arises regarding the denial of Petitioner's December 2020 application

for Medicaid benefits filed by his attorney's office due to the failure to provide information regarding assets and questions regarding withdrawal from various accounts. Morris County Office of Temporary Assistance (Morris County) issued five verification requests for information needed to determine eligibility. The final request was issued on July 7, 2021 and the denial letter was issued in August 2021. R-1.

The Initial Decision found that the facts were not in dispute and that the application "was denied for misadministration of" the Qualified Income Trust (QIT). ID at 2. That is incorrect. The matter that was transmitted stems from the August 9, 2021 denial that enumerated six categories where additional information was required.¹ While Morris County requested information regarding the QIT, there were requests for information regarding other assets. The only contested matter pending before the OAL was the August 2021 denial of Petitioner's December 2020 application due to the failure to provide information.

Administrative agencies have the discretion to determine whether a case is contested. N.J.S.A. 52:14f-7(a). The OAL acquires jurisdiction over a matter only after it has been determined to be a contested case by an agency head. N.J.A.C. 1:1-3.2(a). A contested case is commenced in the State agency with appropriate subject matter jurisdiction. N.J.A.C. 1:1-3.1. DMAHS is the administrative agency within the Department of Human Services (DHS) that is charged with administering the Medicaid program. N.J.S.A. 30:4D-4.

Here, the matter transmitted as a contested case concerned the failure to provide information in the six categories identified by the August 9, 2021 denial letter. The final

¹ The record contains 2 denial letters – one dated August 3rd and one dated August 9th. They appear to be identical but the August 9, 2021 denial letter was used by Petitioner's attorney to file a request for the fair hearing.

request for information was issued on July 7, 2021 with a due date of July 17th, which was a Saturday. Three weeks later Morris County issued the denial letter which was appealed. There is nothing in the letter stating that the funding of the QIT was at issue. Rather, the failure to provide information necessary to determine eligibility is the matter to be decided.

While Morris County opined on Petitioner's eligibility as of December 2020 -a date that Petitioner's counsel apparently wishes to hold to start a 252 day penalty- the fact remains that Petitioner still had to comply with the requests for information before such a determination could be made. Eligibility must be established in relation to each legal requirement of the program. N.J.A.C. 10:71-3.15. CWAs must verify the value of resources through appropriate and credible sources, which includes evaluation of the applicant's past circumstances and present living standards in order to ascertain the existence of resources that may not have been reported. N.J.A.C. 10:71-4.1. If the applicant's resource statements are questionable, or there is reason to believe the identification of resources is incomplete, the CWA can verify the applicant's resource statements through one or more third parties. Ibid. "The process of establishing eligibility involves a review of the application for completeness, consistency, and reasonableness." N.J.A.C. 10:71-2.9. Applicants must provide the CWA with specific verifications, which are identified for the applicant.

There is no evidence that Petitioner provided the requested information that would enable Morris County to render a decision. The record shows Morris County waited three weeks for the production of documents before denying the case. To have the matter be decided on an issue that did not form the basis of the denial letter is inappropriate.

For these reasons, I REVERSE the Initial Decision as the issue on appeal solely concerned the denial of Petitioner's December 2020 application due to his failure to provide verifications and REMAND the matter to determine that issue alone.

THEREFORE, it is on this ^{13th} day of APRIL 2022,

ORDERED:

That the Initial Decision is hereby REVERSED; and

That the matter is hereby REMANDED for a hearing on the matter originally transmitted.



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