

This case arises from the Hudson County Division of Social Services' (County) January 24, 2023 notice denying Petitioner's December 27, 2022 Medicaid application due to failure to provide information necessary to determine eligibility. The issue presented here is whether the County's determination denying Petitioner's December 27, 2022 application for Medicaid benefits due to failure to provide the requested information was proper.

Petitioner filed an appeal of the denial. The matter was transferred to the Office of Administrative Law (OAL) as a contested case, where a hearing was held on November 28, 2023, via telephone. The Initial Decision upheld the denial. The Administrative Law Judge (ALJ) found that the County properly denied Petitioner's application, because Petitioner failed to prove that the County erred in its decision to deny their application for Medicaid benefits for failure to timely provide the requested information.

Both the County Welfare Agency (CWA) and the applicant have responsibilities with regard to the application process. N.J.A.C. 10:71-2.2. Applicant must complete any forms required by the CWA; assist the CWA in securing evidence that corroborates his or her statements; and promptly report any change affecting his or her circumstance. N.J.A.C. 10:71-2.2 (e). The 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 accurate submission of data; and promptly notify applicants of eligibility or ineligibility. N.J.A.C. 10:72-2.2 (c) and (d). The CWA must determine eligibility of an application for the aged in 45 days and for blind, and disabled applicants within 90 days. N.J.A.C. 10:71-2.3(a); MedComm No.10-09, and 42 CFR 435.91. Medicaid Communication No. 10-09 states:

If additional verifications are needed and the applicant or their representative does not respond to the worker's request after a time period, as specified by the Agency,

an additional request for information must be sent informing the applicant of what documentation is still needed in order to determine their eligibility. This letter will also inform the applicant or their representative that if the information is not received within the specified time period from the receipt of the request, the case will be denied.

In the instant case, Petitioner, through their representative from Future Care Consultants, applied for Medicaid benefits with the County on December 27, 2022. (R-1.) When the application was submitted, Petitioner disclosed that they had an active checking account with Provident Bank and a life insurance policy with MetLife. When the County reviewed Petitioner's application, they discovered internet transfers from and to accounts ending with 9265, 2480, and 3895.

On January 6, 2023, the County sent a request for Information (RFI) seeking that Petitioner provide the following information before January 20, 2023: 1) a source information of three bank accounts ending with 9265, 2480, and 3895; 2) a clear copy of the life insurance policy from MetLife; and 3) a clear copy of the \$4,000 surrender payment with an explanation of how the surrender payment was spent. (R-3.) On January 19, 2023, Petitioner's representative provided a partial response to the County's request. Specifically, Petitioner's representative provided a letter from Provident Bank stating that Petitioner had only one checking account since August 4, 2005 and that checking account number ended with 1454. (R-5.) Petitioner's representative informed the County that the three bank accounts that were involved in the internet transfers belonged to Petitioner's son, but did not provide any verification. Petitioner's representative also provided a copy of a notice of partial cash surrender payment of Petitioner's life insurance policy in the amount of \$4,000 with a remaining cash value of \$297, (R -6.), and a copy of the \$4,000 check from MetLife with a handwritten note that the money was used for private pay and spenddown at the facility. (R-7.) By letter dated January 24, 2023, the County notified

Petitioner the Medicaid application was denied due to failure to provide the requested information to determine eligibility in a timely manner. (R-2.)

Here, the County requested Petitioner provide verifications including the source information for three bank accounts and a clear copy of the current cash and face value of their life insurance policy. Petitioner's representative properly responded to the request for information about their life insurance; however, Petitioner's representative failed to provide verification of source information for bank accounts that were involved in internet transfers with their bank account. When verification of source information for bank accounts was not provided, the County denied Petitioner's December 27 2022 application.

After the December 27, 2022 application at issue was denied, Petitioner's representative submitted another application on February 22, 2023, including the source information for the bank accounts that were requested by the County on January 6, 2023. Thereafter, the February 22, 2023 application was approved with retroactive benefits effective December 2022.

Based on the record before me, I hereby ADOPT the Initial Decision in its entirety and incorporate the same herein by reference. Petitioner's representative has presented no evidence that they had provided the source information for those three bank accounts to the County at the time of the denial of the December 27, 2022 application. Without this information, the County was unable to complete Petitioner's eligibility determination and the denial was appropriate.

Thus, I hereby ADOPT the Initial Decision.

THEREFORE, it is on this 5th day of March 2024,

ORDERED:

That the Initial Decision is hereby ADOPTED.

Gregory Woods

OBO JLJ

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