



State of New Jersey
OFFICE OF ADMINISTRATIVE LAW

INITIAL DECISION

OAL DKT. NO. HMA 01752-2025

I.A. _____

Petitioner,

v.

Middlesex County Board of Social Services

Respondent.

Medicaid Only
Excess Income Appeal
N.J.A.C. 10:71-5

STATEMENT OF THE CASE

Respondent denied petitioner's Medicaid Only application due to excess income under N.J.A.C. 10:71-5.6.

FINDINGS OF FACT AND CONCLUSIONS OF LAW

I.

- ☒ I FIND that petitioner or petitioner's representative is **AUTHORIZED** to pursue this appeal; therefore, I **CONCLUDE** that standing has been established.
- ☐ I FIND that petitioner or petitioner's representative is **NOT AUTHORIZED** to pursue this appeal; therefore, I **CONCLUDE** that standing has not been established.

II.

I **FIND** that petitioner's:

Earned income is \$ _____ (N.J.A.C. 10:71-5.2, -5.4)

Unearned income is \$ 4,537.50 (N.J.A.C. 10:71-5.2, -5.4)

Income exclusions total \$ _____ (N.J.A.C. 10:71-5.3)

Countable income total is \$ _____ (N.J.A.C. 10:71-5.4(b))

The applicable income eligibility standard is \$ 2,829.00 (N.J.A.C. 10:71-5.6)

III.

☒ I **CONCLUDE** that petitioner is over the applicable income limit and is therefore income **INELIGIBLE** for Medicaid Only benefits under N.J.A.C. 10:71-5.6.

☐ I **CONCLUDE** that petitioner is not over the applicable income limit and is therefore income **ELIGIBLE** for Medicaid Only benefits as of _____ (fill in date of eligibility) under N.J.A.C. 10:71-5.6.

ADDITIONAL FINDINGS OF FACT/CONCLUSIONS OF LAW

In January of 2024, I.A. established a Qualified Income Trust (QIT) with her son Brian A. as the trustee. (R.D.) The documents require the entire amounts of the income from both, I.A.'S social security and pension, be deposited into the QIT. (R-D at 2) On April 1, 2024, the trustee failed to deposit the entirety of the pension amount. (R-C) The trustee violated the conditions that created the trust thereby invalidating the entire QIT, thus making the QIT countable income.

As for petitioner's argument regarding improper rule making, under R.2:2-3(a)(2) this is not the proper forum for that dispute.

ORDER

I **ORDER** that:


- ☐ Petitioner's appeal is **DISMISSED** because petitioner has no standing.
- ☒ Petitioner is income **INELIGIBLE** for Medicaid Only benefits under N.J.A.C. 10:71-5.6.
- ☐ Petitioner is income **ELIGIBLE** for Medicaid Only benefits as of _____ under N.J.A.C. 10:71-5.6.

I **FILE** this initial decision with the **ASSISTANT COMMISSIONER OF THE DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES**. This recommended decision is deemed adopted as the final agency decision under 42 U.S.C. § 1396a(e)(14)(A) and N.J.S.A. 52:14B-10(f). The **ASSISTANT COMMISSIONER OF THE DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES** cannot reject or modify this decision.

If you disagree with this decision, you have the right to seek judicial review under New Jersey Court Rule 2:2-3 by the Appellate Division, Superior Court of New Jersey, Richard J. Hughes Complex, PO Box 006, Trenton, New Jersey 08625. A request for judicial review must be made within 45 days from the date you receive this decision. If you have any questions about an appeal to the Appellate Division, you may call (609) 815-2950.

6/23/2025

DATE



Allison Friedman, ALJ

Date Record Closed:

06/06/2025

Date Filed with Agency:

06/23/2025

Date Sent to Parties:

APPENDIX

Witnesses

For Petitioner:

n/a

For Respondent:

Kurt Eichenlaub, Human Services Specialist 3

Exhibits

For Petitioner:

P-1 QIT Disbursements and bank documents

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. There are two vertical lines near the left edge, creating a narrow margin. The paper appears to be from a notebook or a standard writing pad. The lines are evenly spaced and extend across the width of the page. There is no handwriting or other markings on the paper.

For Respondent:

R-A Application fro Medicaid dated March 19, 2024

R-B Eligibility notification and program limits

R-C Verification of Income

R-D QIT establishing documents and Medicaid communication

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper appears slightly aged or off-white. There is no handwriting or other markings on the page.