



State of New Jersey
OFFICE OF ADMINISTRATIVE LAW

INITIAL DECISION

OAL DKT. NOS. HMA 01532-2025

AGENCY DKT. NO. N/A

T.C.,

Petitioner,

v.

GLOUCESTER COUNTY BOARD

OF SOCIAL SERVICES,

Respondent.

Micheal Heinemann, Esq., for petitioner (Law Office of Michael Heinemann, P.C.,
attorney)

Songtarae Fields, Human Services Specialist 3, appearing pursuant to N.J.A.C.
1:1-5.4(a)(3) for respondent

Record Closed: May 28, 2025

Decided: June 17, 2025

BEFORE **CARL V. BUCK III, ALJ:**

STATEMENT OF THE CASE

Petitioner T.C. appeals the decision of respondent Gloucester County Board of Social Services (Board or GCBSS or respondent) to deny her application for Medicaid benefits on the grounds that she failed to provide requested information and/or

verifications, under 42 C.F.R. § 435.952.¹ Petitioner filed a total of four applications. The subject of this appeal is the third application. Petitioner was approved for services with the fourth application.

PROCEDURAL HISTORY

Petitioner, through her designated authorized representative (DAR) Sara Krupenia² (Krupenia) of Elder Guide, filed a third application for Medicaid benefits on September 30, 2024. This application was denied by respondent on October 29, 2024, for failure to provide requested information. Petitioner requested a fair hearing, and the Division of Medical Assistance and Health Services (DMAHS) transmitted this matter to the Office of Administrative Law (OAL), where it was filed on January 22, 2025, as a contested case. N.J.S.A. 52:14B-1 to -15; N.J.S.A. 52:14F-1 to -23. This matter was docketed as HMA 01532-2025 and assigned to me. The hearing, originally scheduled for February 21, 2025, was adjourned at petitioner's request and ultimately scheduled for May 8, 2025. The record was held open for closing submissions due by May 28, 2025. (C-1.) No extension request for submissions by either party was received. The record closed on May 29, 2025.

On June 11, 2025, Heinemann submitted closing documentation. (P-2.) This documentation, although two weeks late and without consent by the opposing party, was considered in the issuance of this Initial Decision.

FACTUAL DISCUSSION AND FINDINGS

At the hearing, petitioner presented the testimony of Connie Mandelbaum, her current DAR, and respondent presented the testimony of Linda Slavek, HSS 2 with Gloucester. As petitioner's DAR, Mandelbaum is **AUTHORIZED** to pursue this appeal and, therefore, I **FIND** that standing is established.

¹ Respondent's action is also supported by N.J.A.C. 10:71-2.2(e).

² At the time of the hearing Krupenia was no longer employed by Elder Guide and therefore did not provide testimony.

Based on the testimonial and documentary evidence, I **FIND** the following **FACTS** as undisputed:

On September 30, 2024, petitioner applied for Medicaid with respondent. (R-1, pp. 2-10.) By letter, dated October 8, 2024, respondent requested information from petitioner, including:

ACCOUNTS: This includes, but is not limited to, checking, savings, business checking accounts, ABLE Accounts, Certificates of Deposit (CD), Holiday/Vacation club accounts, Credit Union accounts, annuities, Burial Accounts/Funeral Trusts owned or closed by the Applicant and/or Applicant's Spouse within 60 months of application date.

LIFE INSURANCE POLICIES: List all life insurance policies owned by the Applicant and/or Applicant's Spouse or for which the Applicant(s) are named insured.

Additional Documentation Request:

VERIFICATION AND EXPLANATION (sic) FOR OF ALL DEPOSITS AND WITHDRAWALS ON OR ABOVE \$2000.00 FOR CITIZENS BANK #8006 AND STATEMENTS FOR AUGUST- OCT 2024 AND COPIES OF ALL CHECKS \$2000.00 AND ABOVE.

VERIFICATION AND EXPLANATION (sic) OF ALL DEPOSITS AND WITHDRAWALS \$2000.00 OR ABOVE.

COPIES OF THE FOLLOWING CHECKS 5/24/20 \$4193.50 & 4/19/24 \$7028.20

QIT ACCOUNT JUNE, JULY, AUG AND SEPTEMBER THROUGH PRESENT

J....'S ADDRESS NEEDS TO BE LISTED ON THE QIT TEMPLATE

COPY OF CURRENT TRU STAGE LIFE INSURANCE POLICY WITH 2024 FACE VALUE AND CASH VALUE/ in Portal no value

TD BANK #2480-JUNE, JULY, AUGUST AND SEPTEMBER THROUGH PRESENT.

COPIES OF ALL CHECKS \$2000.00 OR ABOVE

VERIFICATION AND EXPLANATION OF ALL DEPOSITS
AND WITHDRAWALS OF \$2000.00 AND ABOVE.

****COPY OF TENATIVE GIFTING LETTER IS ATTACHED

COPIES.

[R-1, pp.11-13.]

This information was due on or before October 22, 2024. On that date, Krupenia, from Elder Guide provided information noting that additional information was still to be sent to the Board. Krupenia requested an extension to send additional information. (R-1, p. 16.) Slavik testified that she had called Krupenia and granted a seven day extension.³

On October 29, 2024, respondent sent petitioner a notice of denial of Medicaid eligibility stating: "Individual failed to provide requested information required to determine eligibility in a timely manner. 42 CFR 435.952" (R-1, pp. 17-21.) Thirty days had elapsed since the date of petitioner's application.

FINDINGS

For testimony to be believed, it must not only come from the mouth of a credible witness, but it also must be credible in itself. It must elicit evidence that it is from such common experience and observation that it can be approved as probable in the circumstances. See Spagnuolo v. Bonnet, 16 N.J. 546, 554–55 (1954); Gallo v. Gallo, 66 N.J. Super. 1, 5 (App. Div. 1961). A credibility determination requires an overall assessment of the witness's story in light of its rationality or internal consistency and the manner in which it "hangs together" with other evidence. Carbo v. United States, 314 F.2d 718, 749 (9th Cir. 1963.) Also, "[t]he interest, motive, bias, or prejudice of a witness may affect his credibility and justify the [trier of fact], whose province it is to pass upon the

³ No documentary evidence of this conversation was provided by either party.

credibility of an interested witness, in disbelieving his testimony.” State v. Salimone, 19 N.J. Super. 600, 608 (App. Div.), certif. denied, 10 N.J. 316 (1952) (citation omitted).

A trier of fact may reject testimony because it is inherently incredible, or because it is inconsistent with other testimony or with common experience, or because it is overborne by other testimony. Congleton v. Pura-Tex Stone Corp., 53 N.J. Super. 282, 287 (App. Div. 1958.)

One of the issues raised by petitioner is that Krupenia requested an extension on October 22, 2024, but did not receive confirmation of that extension. Krupenia did not testify. Slavik testified that she called Krupenia to notify Krupenia of the seven-day extension. However, Slavik had no proof or notes reflecting this conversation. Slavik noted that “It was a verbal handshake.”

Likewise, there is no proof that Elder Guide followed up on this request for an extension; made an inquiry by telephone or in writing; or made any inquiry for an extension after they received the October 29, 2024, denial letter.

I accept the testimony of the Board’s witness as credible to the extent of testifying to the paperwork. I accept the testimony of Elder Guide’s witness as credible to the extent of testifying to the paperwork. As to other testimony given by both parties, I find credibility lacking, owing to the lack of notes or written correspondence on their respective positions. Based upon the credible evidence submitted, I **FIND**:

1. The petitioner’s application was filed by DAR Krupenia on September 30, 2024.
2. Respondent issued a RIF on October 8, 2022, with a deadline of October 22, 2024.
3. Petitioner’s submission of October 22, 2024, noted that information was still missing and requested an extension of seven days.

4. Petitioner did not issue a follow-up to the request for an extension.
5. Respondent issued a Letter of Denial on October 29, 2024, for failure to provide information.

Michael Heinemann, Esq., entered his appearance for petitioner on February 20, 2025.

LEGAL ANALYSIS AND CONCLUSIONS

The issue here is whether respondent properly denied petitioner's application for Medicaid benefits based upon petitioner failing to provide all the documents requested by the Board.

Medicaid is a federally created, state-implemented program designed, in broad terms, to ensure that people who cannot afford necessary medical care are able to obtain it. 42 U.S.C. § 1396-1, et seq., Title XIX of the Social Security Act. Medicaid provides "medical assistance to the poor at the expense of the public." DeMartino v. Div. of Med. Assistance & Health Servs., 373 N.J. Super. 210, 217 (App. Div 2004) (quoting Mistrick v. Div. of Med. Assistance & Health Servs., 154 N.J. 158, 165 (1998)); Atkins v. Rivera, 477 U.S. 154, 156 (1986); 42 U.S.C. § 1396-1. Medicaid is intended to be a funding of last resort for those in need. N.J.S.A. 30:4D-2. Although a state is not required to participate in the Medicaid program, once a state elects to participate, it must comply with the Medicaid statute and federal regulations. 42 U.S.C. § 1396a. New Jersey participates in the Medicaid program pursuant to the New Jersey Medical Assistance and Health Services Act, N.J.S.A. 30:4D-1, et seq. The DMAHS is the State agency designated, pursuant to 42 U.S.C. § 1396a(5), to administer the New Jersey Medicaid program. N.J.S.A. 30:4D-7. The petitioner is seeking Medicaid benefits under the NJFC program.

NJFC "resources criteria and eligibility standards of this section apply to all applicants and beneficiaries." N.J.A.C. 10:71-4.1(a). The petitioner's information revealed the existence of multiple assets that petitioner potentially had access to. As the

County Welfare Agency (CWA) receiving the petitioner's application, the Board was responsible for determining the petitioner's "income and resource eligibility" for benefits. N.J.A.C. 10:71-3.15(a). Here, the Division sought verifications for items and clarification of bank accounts. (R-1, pp. 11-15.) These requests were plain on each request's face as to what was requested.

The CWA and the applicant share responsibility in the application process. **N.J.A.C. 10:71-2.2.** The CWA exercises direct responsibility in the application process to inform applicants about the purpose and eligibility requirements for the Medicaid program, of their rights and responsibilities under its provisions, and of their right to a fair hearing; receive applications; assist applicants in exploring their eligibility; make known the appropriate resources and services; and assure the prompt and accurate submission of eligibility data to the Medicaid status files for eligible persons and prompt notification to ineligible persons of the reason(s) for their ineligibility. N.J.A.C. 10:71-2.2(c). **Applicants must provide the CWA with verifications requested. N.J.A.C. 10:71-2.2(e). Failure to provide required verifications constitutes grounds for denial of the application for medical benefits.** D.M. v. DMAHS, HMA 06394-06, Initial Decision (April 24, 2007), adopted, Dir. (June 11, 2007), <https://njlaw.rutgers.edu/collections/oal/>; see, e.g., R.B. v. Ocean Cnty. Bd. of Soc. Servs., (Jan. 18, 2020) (finding that applicant's failure to provide requested information on resource accounts prior to stated deadline for denial of benefits justified denial of Medicaid eligibility). In this regard, "[d]ocumentary sources of evidence present factual information recorded at some previous date by a disinterested party"; documentary sources including "certificates, legal papers, insurance policies, licenses, bills, receipts, notices of RSDI benefits, and so forth" provide important substantiating evidence to support an applicant's eligibility. N.J.A.C. 10:71-3.1(b)(1). Importantly, "[e]ligibility must be established in relation to each legal requirement to provide a valid basis for granting or denying medical assistance." N.J.A.C. 10:71-3.1(a). (emphasis added.)

The maximum period normally essential to process a Medicaid application is forty-five days for the aged, and ninety days for the disabled or blind. N.J.A.C. 10:71-2.3(a). It is recognized that there will be situations where the proper processing of the application cannot be completed within the pertinent time limit. N.J.A.C. 10:71-2.3(c). Where substantially reliable

evidence of eligibility is still lacking at the end of the designated period, the application may be continued in pending status. N.J.A.C. 10:71-2.3(c). An application may be continued in pending status where a determination has been made to afford the applicant, whose proof of eligibility has been inconclusive, a further opportunity to develop additional evidence of eligibility before final action on his or her application. N.J.A.C. 10:71-2.3(c)(2).

This regulation, N.J.A.C. 10:71-2.3, allows respondent to appropriately reject the Medicaid application of an individual who has the means and capacity to timely complete the application and fails to do so, and gives respondent the discretion to extend regulatory deadlines under exceptional circumstances. Petitioner argues that such exceptional circumstances are found here, as a third party bank controlled access to the needed information and did not respond in a timely manner. Mandelbaum stated they were trying to obtain this information, as reflected in Krupenia's October 22, 2024, letter, but no further update or request for extension was provided by petitioner. Petitioner argues that she asked for an extension through Krupenia but Krupenia did not receive verbal or written confirmation of this request. Mandelbaum, Krupenia's supervisor at the time of the application and successor for this matter, could not corroborate this information nor could information be provided as to whether or not Krupenia followed up on the request for an extension.

Petitioner also argues that the County's request for information, with a fourteen-day deadline, violated federal law. 42 CFR 435.907(d)(1) requires that any request for additional information from applicants must: "Provide applicants with a reasonable period of time of no less than 15 calendar days, measured from the date the agency sends the request, to respond and provide any necessary information." Here, only fourteen days were given, making the request illegal on its face.

In this matter, petitioner's assertion that the request for information giving only a fourteen-day period is specious: notwithstanding accurate. Petitioner did provide information and requested an extension, in writing, on that fourteenth date as it could. Whether or not petitioner received corroboration of respondent's grant of a seven day extension, petitioner made no other request for extension, nor did petitioner provide any additional update to the respondent.

Further, petitioner states that Krupenia did not receive notice of the seven day extension which should have been provided in writing.

I **FIND** that petitioner did not prove by a preponderance of the credible evidence that she timely provided all the required documentation under N.J.A.C. 10:71-2.2(e) and -2.3(a), nor did she prove that exceptional circumstances exist under N.J.A.C. 10:71-2.3(c); therefore, I **CONCLUDE** that petitioner did not prove by a preponderance of the credible evidence that respondent erred in denying her Medicaid application under N.J.A.C. 10:71-2.2(e).

ORDER

I hereby **ORDER** that the decisions of respondent Gloucester County Board of Social Services to deny the application of petitioner T.C. for Medicaid is **AFFIRMED**, and the appeal of petitioner is **DISMISSED**.

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.



June 17, 2025

DATE

CARL V. BUCK, III., ALJ

Date Filed with Agency:

Date Sent to Parties:

CVB/tat

APPENDIX

WITNESSES

For petitioner

Connie Mandelbaum, DAR

For respondent

Songtarae Fields, Human Services Specialist 3

Linda Slavek, HSS 2

EXHIBITS

For petitioner

P-1 Packet

P-2 Heinemann letter of June 11, 2025

For Respondent:

R-1 Packet

R-2 Supplemental packet May 8, 2025

R-3 Supplemental information May 12, 2025

Court:

C-1 Email noting deadline for submissions May 8, 2025