



**State of New Jersey**

DEPARTMENT OF HUMAN SERVICES

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

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TRENTON, NJ 08625-0712

CHRIS CHRISTIE  
*Governor*

KIM GUADAGNO  
*Lt. Governor*

JENNIFER VELEZ  
*Commissioner*

VALERIE HARR  
*Director*

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

R.M.,

PETITIONER,

V.

DIVISION OF MEDICAL ASSISTANCE

AND HEALTH SERVICES &

BURLINGTON COUNTY BOARD OF

SOCIAL SERVICES,

RESPONDENTS.

**ADMINISTRATIVE ACTION**

**FINAL AGENCY DECISION**

**OAL DKT. NO. HMA 7521-2014**

As Director of the Division of Medical Assistance and Health Services, I have reviewed the record in this matter, consisting of the Initial Decision, the documents in evidence and the contents of the OAL case file. Respondent filed exceptions in this matter. Procedurally, the time period for the Agency Head to render a Final Agency Decision is October 2, 2014, in accordance with N.J.S.A. 52:14B-10 which requires an Agency Head to adopt, reject, or modify the Initial

Decision within 45 days of receipt. The Initial Decision in this matter was received on August 18, 2014.

This matter concerns Petitioner's eligibility for Medicaid benefits. She applied in January 2014. She entered a nursing home in November 2013. Prior to that, she lived in a condominium owned by her daughter. In 2005, she signed a 10 year lease with her daughter. As a condition of the lease, she agreed to pay for interior damage to the premises due to her heavy smoking. After she became institutionalized, her daughter expended \$14,463.84 to remove the smoke odor from the walls, repair damage from a hot water heater leak and replace the carpets. R-1 at 40-45. She used \$11,000 of her mother's fund to reimburse these expenses. Burlington County imposed a transfer penalty of one month and nine days.

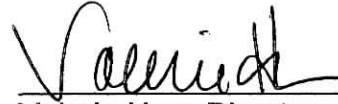
The Initial Decision reversed the penalty finding that Petitioner did not transfer the funds to qualify for Medicaid as the funds were used for the repairs to her daughter's condominium that were anticipated in the 2005 lease. Petitioner and her daughter knew her heavy smoking would cause damage to the building beyond normal wear and tear and expected that substantial repairs would be necessary eight years before applying for Medicaid.

Based on my review the record, I concur that the transfer of \$11,000 was for a purpose other than qualifying for Medicaid. I also note that the repairs totaled \$14,463.84 which is more than the reimbursement. The difference can be considered normal wear and tear for which Petitioner was not responsible. As such, I hereby ADOPT the Initial Decision.

THEREFORE, it is on this 1<sup>st</sup> day of OCTOBER 2014

ORDERED:

That the Initial Decision in this matter is hereby ADOPTED.

A handwritten signature in black ink, appearing to read "Valerie Harr", is written over a horizontal line.

Valerie Harr, Director  
Division of Medical Assistance  
and Health Services