



**State of New Jersey**

DEPARTMENT OF HUMAN SERVICES

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

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*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**

S.B.,

PETITIONER,

v.

DIVISION OF MEDICAL ASSISTANCE

AND HEALTH SERVICES AND

CAMDEN COUNTY BOARD OF

SOCIAL SERVICES,

RESPONDENTS.

**ADMINISTRATIVE ACTION**

**FINAL AGENCY DECISION**

**OAL DKT. NO. HMA 6303-14**

As Director of the Division of Medical Assistance and Health Services, I have reviewed the record in this case, including the Initial Decision and the OAL case file. Petitioner filed exceptions in this matter. Procedurally, the time period for the Agency Head to file a Final Agency Decision in this matter is October 14, 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 27, 2014.

Petitioner applied for Medicaid benefits on November 18, 2013. As a result of transfers totaling \$38,700.00, Camden County Board of Social Services (CCBSS) imposed a transfer penalty of four months and twenty-four days. The ALJ found that CCBSS properly determined the effective date of Petitioner's eligibility. The Initial Decision affirmed the transfer penalty.

In determining Medicaid eligibility for someone seeking institutionalized benefits, the counties must review five years of financial history. During that time period, a resource cannot be transferred or disposed of for less than fair market value. 42 U.S.C.A. § 1396p(c)(1); see also N.J.A.C. 10:71-4.10(a). If such a transfer occurs, the applicant will be subject to a period of Medicaid ineligibility to be imposed once the person is otherwise eligible for Medicaid benefits. Ibid.; N.J.S.A. 30:4D-3(i)(15)(b).

Petitioner bears the burden of proof to demonstrate that he received fair market value for the assets transferred. N.J.A.C. 10:71-4.10(j). Here, Petitioner was unable to rebut the presumption that the transfers were for less than fair market value. Petitioner alleged that the transfers were intended to pay for home renovations that would benefit Petitioner. The evidence presented shows receipts for transactions prior to 2006. However, the transfers in question occurred between 2009 and 2013. The transactions were mostly transfers to another account or cash withdrawals with no indication of the intended purpose of the transfer. Without more to establish a nexus between the receipts and the later transfers, the ALJ found that CCBSS properly considered the \$38,700 transfer of assets and affirmed the transfer penalty.

THEREFORE, it is on this 14<sup>th</sup> day of October, 2014,

ORDERED:

That the Administrative Law Judge's recommended decision affirming the transfer penalty of four months and twenty-four days is hereby ADOPTED.

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

Valerie J. Harr, Director  
Division of Medical Assistance  
and Health Services