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

M.A.,

PETITIONER,

ADMINISTRATIVE ACTION

v.

FINAL AGENCY DECISION

DIVISION OF MEDICAL ASSISTANCE

OAL DKT. NO. HMA 06036-2023

AND HEALTH SERVICES AND

MIDDLESEX COUNTY BOARD

OF SOCIAL SERVICES,

RESPONDENTS.

As Assistant Commissioner for the Division of Medical Assistance and Health Services (DMAHS), I have reviewed the record in this case, including the Initial Decision and the Office of Administrative Law (OAL) case file. Neither party filed exceptions in this matter. Procedurally, the time period for the Agency Head to file a Final Agency Decision is January 11, 2024, in accordance with an Order of Extension.

This matter arises from a May 1, 2023, denial of Petitioner's Medicaid application due to Petitioner's failure to provide information that was necessary to determine eligibility. Petitioner appealed the denial of their application and a hearing was held on September 11, 2023.

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. Applicants 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 circumstances. 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. 10:71-2.2(c) and (d). CWAs must determine eligibility for Aged cases within forty-five days and Blind and Disabled cases within ninety days. N.J.A.C. 10:71-2.3(a) and 42 CFR § 435.912. The timeframe may be extended when documented exceptional circumstances arise preventing the processing of the application within the prescribed time limits. N.J.A.C. 10:71-2.3(c). The regulations do not require that the CWA grant an extension beyond the designated time period when the delay is due to circumstances outside the control of both the applicant and the CWA. At best, an extension is permissible. N.J.A.C. 10:71-2.3; S.D. v. DMAHS and Bergen County Board of Social Services, No. A-5911-10 (App. Div. February 22, 2013).

Medicaid Communication No. 10-09 (November 24, 2010), also addresses the processing of Medicaid applications and provides in pertinent part:

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.

It should be understood that exceptional circumstances can arise in determining eligibility for Medicaid. Therefore, if the applicant or their

representative continues to cooperate in good faith with the Agency, an extension of the time limit may be permitted. These exceptional circumstances shall be documented in the case record.

If the applicant or their representative continues to fail to provide the requested information, or fails to act within the spirit of cooperation, a denial letter with applicable New Jersey Administrative Code citations must be sent to the applicant.

In the present matter, on January 30, 2023, Petitioner filed a Medicaid application with Middlesex County Board of Social Services. R-A. On February 1, 2023, the County sent a letter to Petitioner requesting additional information, which included statements for a John Hancock IRA account, with current balance and verifications for all deposits and/or withdrawals¹. R-B. When these documents were not provided to the County, on February 27, 2023, the County sent a second request for information letter requesting the same information that was listed in the February 1, 2023, letter. R-B. This second request for information letter required Petitioner to provide the requested documents by March 13, 2023. Ibid. On March 6, 2023, Petitioner provided the County with a December 12, 2022, letter from John Hancock which stated that the contract value was \$0, the surrender value was \$0, and that the policy had been surrendered as of the December 12th date. R-E. After submitting the John Hancock document, Petitioner followed up with an email to the County caseworker to confirm that the only remaining documents that the County still needed were the Wells Fargo statements. P-C. The County did not respond to this email. ID at 10. On March 29, 2023, the County sent a third request for information letter to Petitioner. P-D. This letter was different than the previous two requests and it did not request information about the John Hancock IRA account. Ibid. Since there was no mention of the John Hancock account in this third request for information letter, Petitioner concluded that the County found the December 12th John Hancock letter to be

¹ Ultimately, all other documents were supplied, leaving only the John Hancock documents at issue. ID at 10.

acceptable. ID at 6. On May 1, 2023, the County denied Petitioner's Medicaid application for failing to provide information required to determine Petitioner's eligibility. R-C. The County's position was that the December 12th John Hancock letter was insufficient because it did not state the date the policy was surrendered and where the money went. ID at 10.

The Initial Decision found that the County's denial of Petitioner's application was not appropriate. Ibid. The Administrative Law Judge stated that the record as a whole did not demonstrate that Petitioner failed to provide the verifications requested in the February 1, 2023 and the February 27, 2023, letters. ID at 10-11. Additionally, the Administrative Law Judge pointed out that there was an ongoing exchange of information between the parties and Petitioner was actively attempting to comply with the County's requests. ID at 11.

I FIND that the County inappropriately denied the application of Petitioner. I agree with the Initial Decision and specifically with the reasons stated above. Additionally, it is important to highlight that the County must accurately inform an applicant what verifications are outstanding when they send a request for information letter. There cannot be any ambiguity. Here, the County sent a request for information letter that asked for documents related to the John Hancock account, Petitioner provided a document that they reasonably believed satisfied the request, and then the County issued a new request for information letter that did not mention the John Hancock account. As the Administrative Law Judge stated, it was certainly reasonable for Petitioner to believe the John Hancock request had been satisfied. ID at 6. For the County to then move forward and deny the application is inappropriate.

Thus, based on the record before me and for the reasons enumerated above, I hereby ADOPT the Initial Decision and FIND that the denial of Petitioner's application

was inappropriate and the County should process Petitioner's January 30, 2023, application to determine if Petitioner is eligible for Medicaid benefits. This Final Agency Decision should not be construed as making any findings regarding Petitioner's eligibility.

THEREFORE, it is on this 8th day of JANUARY 2024,

ORDERED:

That the Initial Decision is hereby ADOPTED.



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