



State of New Jersey

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

P.O. Box 712
Trenton, NJ 08625-0712

ELIZABETH CONNOLLY
Acting Commissioner

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

MEGHAN DAVEY
Director

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

C.B.,

PETITIONER,

v.

DIVISION OF MEDICAL ASSISTANCE
AND HEALTH SERVICES AND
HUNTERDON COUNTY BOARD
OF SOCIAL SERVICES,
RESPONDENTS.

ADMINISTRATIVE ACTION

FINAL AGENCY DECISION

OAL DKT. NO. HMA 10435-16

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. No exceptions to the Initial Decision were filed. Procedurally, the time period for the Agency Head to render a Final Agency Decision is January 3, 2017 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 the agency's receipt. The Initial Decision was received on November 18, 2016.

Based upon my review of the record, I hereby ADOPT the Initial Decision and return the case to the Hunterdon County Board of Social Services to re-evaluate Petitioner's eligibility for the NJ FamilyCare program. In this case, Hunterdon County's determination that Petitioner does not qualify for benefits was based upon Petitioner's 2015 Federal Income Tax Return which showed that he had received a distribution from his IRA of \$60,000. The County averaged this amount over a 12-month period, resulting in a monthly income of \$5000 which exceeds the NJ FamilyCare monthly eligibility limit of \$1843.

However, the Affordable Care Act regulations establish a new method for counting income based upon an applicant's modified adjusted gross income (MAGI). Under these regulations, "[a]n amount received as a lump sum is counted as income only in the month received." See 42 CFR 435.603(e)(1). Thus, the \$60,000 IRA distribution is countable income for Petitioner only in the month it was received.

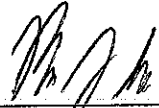
THEREFORE, it is on this 23rd day of December 2016,

ORDERED:

That the Initial Decision reversing the denial of benefits is hereby adopted as the Final Decision, and

IT IS FURTHER ORDERED:

That the Hunterdon County Board of Social Services shall redetermine Petitioner's eligibility for benefits in accordance with this Final Decision.


ON BEHALF OF
Meghan Davey, Director
Division of Medical Assistance
and Health Services