



State of New Jersey

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

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Governor

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KIM GUADAGNO
Lt. Governor

MEGHAN DAVEY
Director

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

R.C.,	:	
	:	
PETITIONER,	:	ADMINISTRATIVE ACTION
	:	
v.	:	FINAL AGENCY DECISION
	:	
DIVISION OF MEDICAL ASSISTANCE	:	OAL DKT. NO. HMA 5451-2016
	:	
AND HEALTH SERVICES AND	:	
	:	
GLOUCESTER COUNTY BOARD OF	:	
	:	
SOCIAL SERVICES,	:	
	:	
RESPONDENTS.	:	

As Director of the Division of Medical Assistance and Health Services, I have reviewed the record in this case, including the Initial Decision, the OAL case file and the documents filed below. No exceptions were filed in this matter. Procedurally, the time period for the Agency Head to file a Final Agency Decision in this matter is August 1, 2016 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 June 16, 2016.

The matter arises regarding Petitioner's Medicaid eligibility related to her income. Petitioner's Power of Attorney (POA) applied for Medicaid benefits on February 24, 2015. She was residing in a nursing home at that time and had income totaling \$2,478.46. In March 2015 her POA established a Qualified Income Trust (QIT). When Gloucester County sought proof of the funding of the QIT in February 2016, it was discovered that her POA, who was also the trustee, had not funded the trust. Eventually the QIT was funded and eligibility was established as of March 2016. The matter turns on Petitioner's income eligibility for the prior months.

By way of background, as of December 1, 2014, New Jersey received federal authority to cease covering nursing home services under Medically Needy and permit applicants, who needed institutional level of care in a nursing facility, an AL facility or home and had income in excess of \$2,163 (currently \$2,199) to place the excess income in a Qualified Income Trust (QIT), also known as a Miller Trust, and obtain Medicaid benefits. See 42 U.S.C. § 1396p(d)(4)(B). By placing the excess income in a QIT, Gloucester County is able to exclude that amount from the income limit.

Income received during a calendar month is considered income for that entire month. N.J.A.C. 10:71-5.2(b)1. The unspent income in the following month counts towards resources. N.J.A.C. 10:71-4.1(c). Petitioner's income of \$2,478.46 renders her ineligible. Unless and until she placed funds in excess of \$2,199 amount into the QIT, her income would be considered over the limit.

The Initial Decision upheld eligibility for the month of March 2016, finding that the Petitioner met the income requirements for that month when her trustee placed her

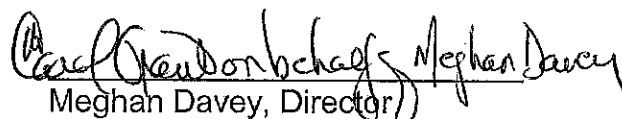
excess income into the QIT. The record is clear that Petitioner's trustee failed to fund the QIT from March 2015 through February 2016. In each of those months Petitioner had countable income over the \$2,199 limit and was not eligible for Medicaid. Based on my review of the record I concur with the Initial Decision's conclusion that Gloucester County correctly set Petitioner's Medicaid eligibility for March 1, 2016.¹

I do note Petitioner may be entitled to a deduction for her Pre-Eligibility Medical Expenses (PEME) that occurred in the three months prior to her March 1, 2016 Medicaid eligibility date. Petitioner can request that the nursing facility complete the PEME Request Form and submit it to Gloucester County for consideration.

THEREFORE, it is on this 11th day of JULY 2016,

ORDERED:

That the Initial Decision is hereby ADOPTED.


Meghan Davey, Director
Division of Medical Assistance
and Health Services

¹ The Initial Decision sets the eligibility date as March 2, 2016, which is the date the income was deposited into the QIT. Income placed in the QIT during the calendar month reduces the countable income for the entire month. Thus, the correct eligibility date is March 1, 2016.