



State of New Jersey

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES
P.O. Box 712
Trenton, NJ 08625-0712

CHRIS CHRISTIE
Governor

ELIZABETH CONNOLLY
Acting Commissioner

KIM GUADAGNO
Lt. Governor

MEGHAN DAVEY
Director

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

C.C.,

PETITIONER,

v.

DIVISION OF MEDICAL ASSISTANCE
AND HEALTH SERVICES AND
SOMERSET COUNTY BOARD
OF SOCIAL SERVICES,

RESPONDENTS.

ADMINISTRATIVE ACTION

FINAL AGENCY DECISION

OAL DKT. NO. HMA 18650-16

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 June 29, 2017, in accordance with an Order of Extension. The Initial Decision was received on March 31, 2017.

Based upon my review of the record, I hereby REVERSE the Initial Decision and RETURN the case to Somerset County. The Affordable Care Act regulations establish a new method for counting income based upon an applicant's modified adjusted gross income (MAGI). The countable income for MAGI is gross income according to the Internal Revenue Service Code. See 42 CFR 435.603. Additionally, 42 CFR 435.603(h)(3) permits the agency to adopt "a reasonable method . . . to account for a reasonably predictable increase or decrease in future income . . . as evidenced by a clear history of predictable fluctuations in income, or other clear indicia of such future changes in income."

Petitioner is employed by an order fulfillment business that is impacted by seasonal needs. As such, Petitioner's income increases and decreases with the demands of the season. The County's determination that Petitioner does not qualify for Medicaid was based upon the County's calculation that only took into account his household's employment earnings for the months of September and October 2016. However, the County's determination failed to take into account the letter from Petitioner's employer confirming his seasonal employment, information available through NJDOL-LOOPS, and Petitioner's tax returns in order to project his income over the course of twelve months.

THEREFORE, it is on this 9<sup>th</sup> day of JUNE 2017,

ORDERED:

That the Initial Decision affirming the termination of benefits is hereby REVERSED as the Final Decision in this matter and RETURNED to Somerset County to recalculate Petitioners' earnings by averaging their income over the entire year.



Meghan Davey, Director  
Division of Medical Assistance  
and Health Services