



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.L.,

PETITIONER,

v.

DIVISION OF MEDICAL ASSISTANCE
AND HEALTH SERVICES AND

MONMOUTH COUNTY BOARD OF
SOCIAL SERVICES,

RESPONDENTS.

ADMINISTRATIVE ACTION

FINAL AGENCY DECISION

OAL DKT. NO. HMA 10901-2016

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. Procedurally, the time period for the Agency Head to file a Final Decision is February 23, 2017, in accordance with an Order of Extension. The Initial Decision was received on December 22, 2016.

The matter arises regarding the denial of Petitioner's application for Medicaid benefits due to excess resources. At issue is an annuity worth \$339,004.31. The annuity is owned by a trust established by the will of Petitioner's wife's father. His will directed that his estate, worth approximately \$675,000, be held in trust for Petitioner's wife. His wife is guaranteed the monthly net income from the principal of the trust. R-3.


The Initial Decision held that the value of the annuity did not count towards Petitioner's resource limit for the purpose of Medicaid. For the reasons set forth in the Initial Decision, I concur that the value of the annuity does not count as a resource. However, any disbursements from the annuity or trust would be considered in the eligibility determination. Additionally, the guaranteed income payments from the annuity would count towards Petitioner's wife's income in the determination regarding income she is entitled to under the spousal impoverishment rules. See 42 U.S.C.A. § 1396r-5 and N.J.A.C. 10:71-5.7c. As such, the matter must be returned to Monmouth County to complete the eligibility determination.

THEREFORE, it is on this ^{BH} day of FEBRUARY 2017,

ORDERED:

That the Initial Decision is hereby ADOPTED; and

That the matter is RETURNED to Monmouth County to complete its review of the Medicaid application and issue an eligibility determination.


Meghan Davey, Director
Division of Medical Assistance
and Health Services