



State of New Jersey

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

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Director

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

M.P.,	:	
	:	
PETITIONER,	:	ADMINISTRATIVE ACTION
	:	
v.	:	FINAL AGENCY DECISION
	:	
DIVISION OF MEDICAL ASSISTANCE	:	OAL DKT. NO. HMA 2517-2016
	:	
AND HEALTH SERVICES AND	:	
	:	
CAMDEN 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. Both parties filed exceptions in this matter. Procedurally, the time period for the Agency Head to file a Final Agency Decision in this matter is June 15, 2017 in accordance with an Order of Extension.

The matter arises regarding the denial of Petitioner's Medicaid application. Petitioner applied for benefits on October 14, 2014. At the time Petitioner and his wife were residing in a nursing home. Petitioner's wife also applied for benefits. She passed away in December 2014. Petitioner died in June 2015. His application was denied in January 2016 for excess resources.

Camden County admitted there was a delay in processing Petitioner's application but the record shows that Petitioner never established eligibility at any point prior to his death. Any delay by Camden County could have been mitigated had Petitioner complied with the income and resource standards of any applicable Medicaid program in any of the months prior to July 2015. Petitioner's argument relies on this delay to keep the application pending until he spent down his resources to the Medically Needy limit. However, this was four months after the program stopped covering nursing home services.

When Petitioner filed for benefits in August 2014, he had income totaling \$2,637.72. (ID at 3). As a result, he could only be found eligible under Medically Needy which permitted individuals with income above 300% of the Federal Benefit Rate to receive Medicaid. In 2014, that income limit was \$2,163. ID at 4. However, Petitioner also needed to have resources at or less than \$4,000 to be found eligible for the Medically Needy program. He failed to meet the resource standard until April 2015 by which time Medically Needy no longer covered nursing home services.

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 \$2,205) to place the excess

income in a QIT, also known as a Miller Trust, and obtain Medicaid benefits. See 42 U.S.C. § 1396p(d)(4)(B). This change did not affect individuals who were eligible for and receiving nursing home services under the Medically Needy program prior to December 1, 2014. This is not the case for Petitioner.

The parties stipulated to the couple's resources on page 3 of the Initial Decision. In each and every month prior to December 2014 Petitioner had resources in excess of the Medically Needy limit of \$4,000. As of December 1, 2014 Medically Needy no longer covered nursing home services. An individual who was receiving nursing facility services under Medically Needy prior to December 1, 2014, was permitted to remain on that program. See Medicaid Communication No. 14-15. It is undisputed that Petitioner was not and could not receive nursing facility services under Medically Needy prior to December 1, 2014 due to excess resources. ID at 3. Indeed, Petitioner admits that he met the \$4,000 limit in April 2015, four months after New Jersey stopped covering nursing home services under the Medically Needy program.

Petitioner argues in exceptions that Camden County should not have considered his application for Medicaid Only as he is "seeking Medicaid eligibility with the Medically Needy program." Exceptions at 2. The Medically Needy program provides health care coverage to certain groups of medically needy persons whose income and/or resources exceed the standards for the regular Medicaid program by spending down excess income on covered medical services. See N.J.A.C. 10:70-1.1. The Medically Needy program only covers certain services. See N.J.S.A. 30:4D-3i(8). As of December 1, 2014, nursing home services was no longer covered under Medically Needy. Since he was not eligible for Medically Needy, Camden County correctly reviewed his application

for all other programs and found that he was not eligible under the Medicaid Only program, the only other program that covered nursing home services.

Based on my review of the record, I concur with the Initial Decision's conclusion that Petitioner did not establish eligibility for Medicaid. Thus, I hereby ADOPT the Initial Decision in its entirety and uphold the denial of Medicaid benefits.

THEREFORE, it is on this ^{7th} day of JUNE 2017,

ORDERED:

That the Initial Decision is hereby ADOPTED.

Richard H. Hurd, Chief of Staff
Meghan Davey, Director
Division of Medical Assistance
and Health Services
for Meghan Davey