



State of New Jersey

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

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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

M.S.,	:	
	:	
PETITIONER,	:	ADMINISTRATIVE ACTION
	:	
v.	:	FINAL AGENCY DECISION
	:	
DIVISION OF MEDICAL ASSISTANCE	:	OAL DKT. NO. HMA 2581-2017
	:	
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. Neither party filed exceptions in this matter. Procedurally, the time period for the Agency Head to file a Final Decision is June 30, 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 receipt. The Initial Decision was received on May 16, 2017.

The matter arises regarding the denial Petitioner's May 12, 2016 Medicaid application. At issue is the creation of Petitioner's Qualified Income Trust (QIT).¹ Petitioner entered a nursing home in April 2016. When he applied, Gloucester County provided information on setting up a QIT. Although the record does not reflect the exact amount, it is undisputed that Petitioner's income was over \$2,199, the 2016 income limit. As such he is required to set up a QIT and fund it with his income. Once the income is placed in the QIT, it is not counted for purposes of determining Medicaid eligibility.

Petitioner's wife opened an account with Wells Fargo on April 29, 2016 prior to applying for Medicaid and titled it as Petitioner's QIT. However, Petitioner never prepared a QIT that governs the use of his income and sets forth the federal requirements necessary to remove the income from the eligibility determination. Gloucester County found that the QIT was not prepared and denied the case in January 2017. Petitioner subsequently executed the QIT document and was able to establish eligibility as of February 1, 2017. The Initial Decision upheld denial of the Medicaid application and, for the reasons set forth below, I concur.

Gloucester County provided information regarding a QIT to Petitioner's wife in May 2016. However, the record is silent on what prompted her to open the Wells Fargo account in April 2016 and titling it as Petitioner's QIT. The document from Wells Fargo also states that the QIT was executed on June 8, 2016. R-1 at 17. That was clearly not the case although the bank documents could have led Gloucester County to

¹ As of December 1, 2014, New Jersey ceased covering nursing home services under the Medically Needy program and those applicants, who needed institutional level of care in a nursing facility, an AL facility or home and had income in excess of \$2,163 (\$2,199 in 2016) were required to place the excess income in a Qualified Income Trust (QIT), also known as a Miller Trust, to 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.


believe that the QIT was executed. Had Petitioner done what was represented in the bank documents, he would have been able to establish eligibility as early as June 2016. However, he failed to execute a QIT until February 2017.

Based on my review of the record and for the reasons set forth above, I concur with the Initial Decision's conclusion that Petitioner did not establish a QIT before January 2017 and his Medicaid application was properly denied.

THEREFORE, it is on this ^{21st} day of JUNE 2017,

ORDERED:

That the Initial Decision is hereby ADOPTED.



Meghan Davey, Director
Division of Medical Assistance
and Health Services