

130 CMR 520.000: MASSHEALTH: FINANCIAL ELIGIBILITY

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520.001: Introduction to General Financial Requirements

- (A) 130 CMR 520.000 describes the rules governing financial eligibility for MassHealth. 130 CMR 520.000 is based on financial responsibility, countable income, and countable assets.
- (B) The methods for the calculation of the countable-income amount, the deductible, and the income standards used in the determination of eligibility are also explained in 130 CMR 520.000.

520.002: Financial Responsibility

- (A) Community Residents.
  - (1) Spouses Living Together. In the determination of eligibility for MassHealth, the total countable-income amount and countable assets of the individual and the spouse who are living together are compared to an income standard and asset limit, unless one spouse is covered by MassHealth under a home- and community-based service waiver, as described in 130 CMR 519.007(B): *Home- and Community-based Services Waiver- Frail Elder.*

## 520.002: continued

(2) Spouses Living Apart. When spouses live apart for reasons other than admission to a medical institution, their assets and income are considered mutually available only through the end of the calendar month of separation.

(B) Residents of Medical Institutions.

(1) Spouses Living Together. When spouses live in the same long-term-care facility, the income and assets are not mutually available.

(2) One Spouse Institutionalized.

(a) If only one spouse is a resident of a medical institution who is expected to remain in the facility for 30 days or more, the community spouse's income is not counted in the determination of eligibility for the institutionalized spouse. The institutionalized spouse may provide for the maintenance needs of the community spouse in accordance with 130 CMR 520.026(B).

(b) The countable assets of both spouses must be evaluated and a spousal share established in accordance with 130 CMR 520.016(B).

(3) Institutionalized Child. When a child under age 18 lives in a medical institution, the income and assets of the parents are considered available only through the end of the calendar month of separation.

520.003: Asset Limit

(A) The total value of countable assets owned by or available to individuals applying for or receiving MassHealth Standard, Family Assistance, or Limited may not exceed the following limits:

(1) for an individual – \$2,000; and

(2) for a couple living together in the community where there is financial responsibility according to 130 CMR 520.002(A)(1) – \$3,000.

(B) The total value of countable assets owned by or available to individuals applying for or receiving MassHealth Senior Buy-in for Qualified Medicare Beneficiaries (QMB) as described in 130 CMR 519.010: *MassHealth Senior Buy-in (for Qualified Medicare Beneficiaries (QMB))* or MassHealth Buy-in for Specified Low Income Medicare Beneficiaries (SLMB) or MassHealth Buy-in for Qualifying Individuals (QI), both as described in 130 CMR 519.011: *MassHealth Buy-in*, may not exceed the amount equal to two times the amount of allowable assets for Medicare Savings Programs as identified by the Centers for Medicare and Medicaid Services. Each calendar year, the allowable asset limits shall be made available on MassHealth's website.

(C) The treatment of a married couple's assets when one spouse is institutionalized, as described in 130 CMR 520.016(B).

520.004: Asset Reduction

(A) Criteria.

(1) An applicant whose countable assets exceed the asset limit of MassHealth Standard, Family Assistance, or Limited may be eligible for MassHealth

(a) as of the date the applicant reduces his or her excess assets to the allowable asset limit without violating the transfer of resource provisions for nursing-facility residents at 130 CMR 520.019(F); or

(b) as of the date, described in 130 CMR 520.004(C), the applicant incurs medical bills that equal the amount of the excess assets and reduces the assets to the allowable asset limit within 30 days after the date of the notification of excess assets.

(2) In addition, the applicant must be otherwise eligible for MassHealth.

(B) Evaluating Medical Bills. The MassHealth agency does not pay that portion of the medical bills equal to the amount of excess assets. Bills used to establish eligibility

(1) cannot be incurred before the first day of the third month prior to the date of application as described at 130 CMR 516.002: *Date of Application*; and

(2) must not be the same bills or the same portions of the bills that are used to meet a deductible based on income.

520.028: Eligibility for a Deductible

The following individuals may establish eligibility by meeting a deductible:

- (A) former SSI recipients who are not eligible under the Pickle Amendment;
- (B) community-based individuals whose countable-income amount exceeds the 100% federal poverty level income standards;
- (C) long-term-care-facility residents whose income, after general deductions described in 130 CMR 520.026, exceeds the public rate in a long-term-care facility;
- (D) disabled adult children whose incomes exceed the standards set forth in 130 CMR 519.004(A): *Eligibility Requirements*; and
- (E) persons who are eligible for an increased disregard as described at 130 CMR 520.013(B).

520.029: The Deductible Period

The deductible period is a six-month period that starts on the first day of the month of application or may begin up to three months before the first day of the month of application. The applicant is eligible for this period of retroactivity only if the applicant incurred medical expenses covered by MassHealth and was otherwise eligible.

520.030: Calculating the Deductible

The deductible is determined by multiplying the excess monthly income by six. Excess monthly income is the amount by which the applicant's countable-income amount as described in 130 CMR 520.009 exceeds the MassHealth deductible-income standard.

MASSHEALTH DEDUCTIBLE-INCOME STANDARDS		
<u>Number of Persons</u>	<u>Monthly-Income Standard for Community Residents</u>	<u>Monthly-Income Standard for Long-term-care-facility Residents</u>
1	\$522	\$72.80
2	650	

520.031: Notification of Potential Eligibility

- (A) The MassHealth agency informs the applicant who has excess monthly income that he or she is currently ineligible for MassHealth Standard, Family Assistance or Limited but may establish eligibility for a six-month period by meeting the deductible. The MassHealth agency informs the applicant in writing of the following:
  - (1) the deductible amount and the method of calculation;
  - (2) the start and end dates of the deductible period;
  - (3) the procedures for submitting medical bills;
  - (4) his or her responsibility to report all changes in circumstances that may affect eligibility or the deductible amount; and
  - (5) that the bills submitted to meet the deductible are the responsibility of the individual and cannot be submitted for MassHealth agency payment.
- (B) A member who has established eligibility based upon meeting a deductible is only eligible for MassHealth Standard, Family Assistance, or Limited until the end of the deductible period. At the end of the deductible period, the MassHealth agency notifies the member in writing of a new deductible period and amount, if the countable-income amount continues to exceed applicable income standards.

520.032: Submission of Bills to Meet the Deductible

(A) Criteria. To establish eligibility by meeting a deductible, the individual must submit verification of medical bills whose total equals or exceeds the deductible and that meet the following criteria.

- (1) The bill must not be subject to further payment by health insurance or other liable third-party coverage, including the Health Safety Net.
- (2) The bill must be for an allowable medical or remedial-care expense in accordance with 130 CMR 520.032(B). A remedial-care expense is a nonmedical support service made necessary by the medical condition of the individual or the spouse.
- (3) The bill must be unpaid and a current liability or, if paid, paid during the current six-month deductible period.
- (4) Any bill or portion of a bill used to meet a deductible may not be applied to any other deductible period. However, any portion of a bill not used to meet the current deductible may be used in a future deductible period. The MassHealth agency will not pay any bills or portions of bills that are used to meet the deductible. These bills remain the responsibility of the applicant.

(B) Expenses Used to Meet the Deductible. The MassHealth agency applies bills to meet the deductible in the following order:

- (1) Medicare and other health-insurance premiums credited prospectively for the cost of six months' coverage, deductibles, enrollment fees, or coinsurance charges incurred by the individual and the spouse.
- (2) expenses incurred by the individual and the spouse for necessary medical and remedial-care services that are recognized under state law but are not covered by MassHealth, including guardianship fees and related expenses as described in and allowed under 130 CMR 520.026(E)(3); and
- (3) expenses incurred by the individual, a family member, or financially responsible relative for necessary medical and remedial-care services that are covered by MassHealth.

(C) Expenses that Cannot be Used to Meet the Deductible. Expenses that may not be applied to meet the deductible include, but are not limited to, the following:

- (1) cosmetic surgery;
- (2) rest-home care;
- (3) weight-training equipment;
- (4) massage therapy;
- (5) special diets; and
- (6) room-and-board charges for individuals in residential programs.

520.033: Verification of Medical Expenses

(A) Medical expenses must be verified by a bill or written statement from a health-care provider with the exception of expenses for nonprescription drugs, which must be verified by a receipt from the provider of the drug. Any unpaid bill incurred before the deductible period must be verified by a bill dated within the six-month deductible period.

(B) Verifications must include all of the following information:

- (1) the name of the provider;
- (2) the type of service provided;
- (3) the name of the individual for whom the service was provided;
- (4) the amount charged for the service including the current balance; and
- (5) the date of service.

520.034: Interim Changes

The applicant or member must notify the MassHealth agency of any changes occurring before meeting the deductible or during the deductible period. These changes include an increase or decrease in income or an increase in assets.

520.035: Conclusion of the Deductible Process

When the total of submitted bills is equal to or greater than the deductible and all other eligibility requirements continue to be met, the MassHealth agency notifies the applicant that he or she is eligible. The member is eligible for payment of all covered medical expenses incurred during that deductible period, other than those submitted to meet the deductible, as long as the member continues to meet all other eligibility requirements during the balance of the deductible period.

520.036: Copayments Required by the MassHealth Agency

The MassHealth agency does not require its members to make any copayments.

520.040: Maximum Cost Sharing

Members are responsible for MassHealth premiums described in 130 CMR 506.012 up to a monthly maximum of 3% of applicable monthly income, except no such limit applies to CommonHealth members. Each member's monthly premium cap will be calculated using 3% of the lowest income in the MassHealth MAGI household or the MassHealth Disabled Adult household, as applicable. A further explanation of this calculation is publicly available on MassHealth's website.

REGULATORY AUTHORITY

130 CMR 520.000: M.G.L. c. 118E, §§ 7 and 12.