

# Office of Medicaid BOARD OF HEARINGS

**Appellant Name and Address:**



<b>Appeal Decision:</b>	Denied	<b>Appeal Number:</b>	2207108
<b>Decision Date:</b>	12/1/2022	<b>Hearing Date:</b>	10/31/2022
<b>Hearing Officer:</b>	Susan Burgess-Cox		

**Appearance for Appellant:**  
Pro se

**Appearance for MassHealth:**  
Netta Finch-Reeves (Charlestown  
MEC) & Sarah Prado (Premium  
Assistance)



*The Commonwealth of Massachusetts  
Executive Office of Health and Human Services  
Office of Medicaid  
Board of Hearings  
100 Hancock Street, Quincy, Massachusetts 02171*

## APPEAL DECISION

<b>Appeal Decision:</b>	Denied	<b>Issue:</b>	Premium Assistance
<b>Decision Date:</b>	12/1/2022	<b>Hearing Date:</b>	10/31/2022
<b>MassHealth's Reps.:</b>	Netta Finch-Reeves (MEC); Sarah Prado (PA)	<b>Appellant's Rep.:</b>	Pro se
<b>Hearing Location:</b>	Charlestown MassHealth Enrollment Center	<b>Aid Pending:</b>	No

### Authority

This hearing was conducted pursuant to Massachusetts General Laws Chapter 118E, Chapter 30A, and the rules and regulations promulgated thereunder.

### Jurisdiction

On September 15, 2022, MassHealth notified the appellant that MassHealth is changing the amount that it pays for her private health insurance premium to \$52.00 due to a change in her family's circumstances or a change in her premium payment. (130 CMR 506.011; Exhibit 1). The appellant filed an appeal in a timely manner on September 21, 2022. (130 CMR 610.15; Exhibit 2). A decision regarding the scope and amount of assistance is valid grounds for appeal. (130 CMR 610.032).

### Action Taken by MassHealth

MassHealth notified the appellant that they are changing the amount it pays for her private insurance premium to \$52.00 due to a change in her family's circumstances or a change in her premium payment.

# Issue

Whether MassHealth was correct in changing the amount it pays for the appellant's private health insurance premium due to a change in her family's circumstances or a change in her premium payment.

## Summary of Evidence

Two MassHealth representatives appeared at the hearing. The representative from the Charlestown MassHealth Enrollment Center (Charlestown MEC) appeared in person and a representative from Premium Assistance (PA) appeared by telephone. The appellant appeared in person.

In September 2022, the appellant underwent an automatic renewal. The appellant has been eligible for MassHealth Commonwealth as a working disabled adult and received premium assistance since at least 2018. The eligibility decision at issue was based on an information match with another agency showing records of a 2020 tax return with an annual income of \$50,294 or monthly gross income of \$4,191. The eligibility determination shows a calculation involving a family group of one with countable income of \$4,135.<sup>1</sup> The appellant testified that she has a daughter who is 22-years old. The appellant did not present any other testimony or evidence to dispute MassHealth's income calculation.

Monthly income of \$4,135 each month placed the appellant at 365% of the federal poverty level. MassHealth utilized the following regulatory formula in calculating a monthly premium of \$168:

[illegible]

The appellant has employer-sponsored insurance with a monthly premium of \$220. MassHealth calculated the premium assistance amount due to the appellant by deducting the monthly premium due to the agency (\$168) from the amount due to her employer (\$220) resulting in a payment of \$52 each month [ $220 - 168 = 52$ ]. The representative from Premium Assistance noted that if the amount due to the employer was higher than the \$220 presented to MassHealth, the appellant may be eligible for a larger premium assistance payment.

Prior to the September 2022 eligibility decision, the appellant had other insurance

<sup>1</sup> This countable income calculation is based upon a regulatory formula that subtracts five percentage points of the current federal poverty level (FPL) from the household total countable income. In this case: \$4,191-\$56 = \$4,135.

through the same employer. Both parties acknowledged that the appellant received a higher premium assistance payment in the past. MassHealth noted that this was likely due to a higher premium owed to the appellant's employer. The appellant testified that the past checks from MassHealth were in the amount of \$335. The appellant did not believe that she had a premium due to MassHealth in the past. Both the MEC and PA representative noted that the process for calculating premium assistance payments includes deducting a premium due to MassHealth from the amount of assistance issued to a member. None of the parties presented evidence of prior calculations.

At hearing, the appellant raised a number of issues based upon past eligibility decisions. The appellant testified that she did not receive written notification regarding adjustments to premium assistance payments until September 2022. Notices presented by MassHealth from March 2022 indicate prior premium assistance totals that are both higher and lower than the amount listed in the notice on appeal. The notices contain the same address and contact information as the current notice on appeal. Records from the Board of Hearings show an appeal filed in March 2022 noting the reason for filing the appeal as questions regarding premium assistance payments. The appellant withdrew that appeal prior to a hearing date. This action indicates that the appellant received notices from MassHealth in the past. As noted at hearing, notices issued in March 2022 are beyond the scope of an appeal filed in September 2022 as the appeal was not timely.

## **Findings of Fact**

Based on a preponderance of the evidence, I find the following:

1. The appellant is eligible for MassHealth CommonHealth as a working disabled adult.
2. The appellant has a family group of one with a countable monthly gross income of \$4,135.
3. The appellant's income is 365% of the federal poverty level.
4. Utilizing the regulatory formula in calculating a premium for MassHealth CommonHealth, the appellant has a monthly premium of \$168.
5. The appellant has employer-sponsored insurance with a monthly premium of \$220.

6. MassHealth calculated the premium assistance due to the appellant by deducting the monthly premium due to the agency (\$168) from the amount payable to her employer (\$220) for a payment of \$52 each month [ $\$220 - \$168 = \$52$ ].

## **Analysis and Conclusions of Law**

MassHealth is responsible for the administration and delivery of health-care services to eligible low- and moderate-income individuals, couples, and families under MassHealth. (130 CMR 501.002(A)). MassHealth provides access to healthcare by determining eligibility for the coverage type that provides the most comprehensive benefits for an individual or family who may be eligible. (130 CMR 501.003(A)). MassHealth formulates requirements and determines eligibility for all MassHealth coverage types. (130 CMR 501.004(A)).

130 CMR 505.000 explains the categorical requirements and financial standards that must be met to qualify for a MassHealth coverage type (130 CMR 505.001). As described in 130 CMR 505.001, the MassHealth coverage types are as follows:

- (1) Standard – for pregnant women, children, parents and caretaker relatives, young adults, disabled individuals, certain persons who are HIV positive, individuals with breast or cervical cancer, independent foster care adolescents, Department of Mental Health members, and medically frail as such term is defined in 130 CMR 505.008(F);
- (2) CommonHealth – for disabled adults, disabled young adults, and disabled children who are not eligible for MassHealth Standard;
- (3) CarePlus – for adults 21 through 64 years of age who are not eligible for MassHealth Standard;
- (4) Family Assistance – for children, young adults, certain noncitizens, and persons who are HIV positive who are not eligible for MassHealth Standard, CommonHealth, or CarePlus;
- (5) Small Business Employee Premium Assistance – for adults or young adults who
  - a. work for small employers;
  - b. are not eligible for MassHealth Standard, CommonHealth, Family Assistance, or CarePlus;
  - c. do not have anyone in their premium billing family group who is otherwise receiving a premium assistance benefit; and

- d. have been determined ineligible for a Qualified Health Plan with a Premium Tax Credit due to access to affordable employer-sponsored insurance coverage;
- (6) Limited – for certain lawfully present immigrants as described in 130 CMR 504.003(A), nonqualified PRUCOLs, and other noncitizens as described in 130 CMR 504.003: Immigrants; and
- (7) Senior Buy-In and Buy-In – for certain Medicare beneficiaries.

Neither party disputed the fact that the appellant is permanently and totally disabled as defined in 130 CMR 501.001. Disabled adults may be eligible for MassHealth Standard if their countable income is below 133% of the Federal Poverty Level. (130 CMR 505.002(E)). The income reported by MassHealth and not challenged by the appellant exceeds this standard.

MassHealth CommonHealth coverage is available to disabled children, disabled adults, and disabled working adults. (130 CMR 505.004(A)(1)).

Disabled working adults must meet the following requirements:

- (1) be 21 through 64 years of age;
- (2) be employed at least 40 hours per month, or if employed less than 40 hours per month, have been employed at least 240 hours in the six-month period immediately preceding the month of receipt of the application or MassHealth's eligibility review;
- (3) be permanently and totally disabled (except for engagement in substantial gainful activity) as defined in 130 CMR 501.001: Definition of Terms;
- (4) be a citizen as described in 130 CMR 504.002: U.S. Citizens or a qualified noncitizen as described in 130 CMR 504.003(A)(1): Qualified Noncitizens;
- (5) be ineligible for MassHealth Standard; and
- (6) comply with 130 CMR 505.004(J). (130 CMR 505.004(B)).

Neither party presented evidence to dispute the agency's determination that the appellant qualifies for MassHealth CommonHealth as a working disabled adult. (130 CMR 505.004(B)).

Financial eligibility for MassHealth includes household composition, countable income, deductibles, calculation of premiums, and copayments for all coverage types. (130 CMR 506.001(A)).

The household composition of a disabled adult consists of:

- (1) the individual;
- (2) the individual's spouse if living with him or her;
- (3) the individual's natural, adopted, and stepchildren younger than 19 years old if living with him or her; and
- (4) if any woman described in 130 CMR 506.002(C)(1), (2), or (3) is pregnant, the number of expected children. (130 CMR 506.002(C)).

The appellant's household composition is that of a disabled adult. While MassHealth may have included the appellant's daughter as part of her household composition in the past, since her daughter is no longer younger than 19 years old, she is no longer included in the appellant's household composition in determining eligibility as a disabled adult. (130 CMR 506.002(C)).

Countable household income includes earned income described in 130 CMR 506.003(A) and unearned income described in 130 CMR 506.003(B) less deductions described in 130 CMR 506.003(D). (130 CMR 506.003). Neither party disputed the appellant's countable income as consisting of earned income in the amount of \$4,135. Neither party presented evidence of deductions to include in determining the appellant's eligibility.

MassHealth may charge a monthly premium to MassHealth Standard, CommonHealth, or Family Assistance members who have income above 150% of the federal poverty level (FPL). (130 CMR 506.011). MassHealth premium amounts are calculated based on a member's household modified adjusted gross income (MAGI), their household size as described in 130 CMR 506.002 and 506.003 and the premium billing family group (PBFG) rules as described in 130 CMR 506.011(A). As noted above, the appellant has income of \$4,135 and the premium family billing group is that of an individual. (130 CMR 506.011). The appellant can be charged a monthly premium as her income is above 150% of the federal poverty level.

MassHealth CommonHealth has a full premium formula as well as a supplemental premium formula. (130 CMR 506.012(B)(2)). A full premium is charged to children with household income above 300% of the federal poverty level (FPL) who have no health insurance and members to whom MassHealth is paying a portion of their health-insurance premium. As MassHealth is paying a portion of the appellant's health insurance premium, she should be charged the full premium. (130 CMR 506.012(B)).

The following table describes the calculation of the full premium:





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Susan Burgess-Cox  
Hearing Officer  
Board of Hearings

cc:

MassHealth Representative: Jennifer Vitt, Charlestown MassHealth Enrollment Center, 529 Main Street, Suite 1M, Charlestown, MA 02129