

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2207734
Decision Date:	12/29/2022	Hearing Date:	11/21/2022
Hearing Officer:	Alexandra Shube		

Appearance for Appellant:

Via telephone:

Pro se

Appearance for MassHealth:

Via telephone:

Fabienne Jeanniton, Tewksbury MEC

Katie Mullen, 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

Appeal Decision:	Denied	Issue:	Premium Assistance
Decision Date:	12/29/2022	Hearing Date:	11/21/2022
MassHealth's Rep.:	Fabienne Jeanniton Katie Mullen	Appellant's Rep.:	Pro se
Hearing Location:	Tewksbury MassHealth Enrollment Center Remote	Aid Pending:	No

Authority

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

Jurisdiction

Through a notice dated July 1, 2022, MassHealth informed the appellant that MassHealth has stopped her Premium Assistance payments (Exhibit 1). The appellant filed this appeal in a timely manner on October 17, 2022 (see 130 CMR 610.015(B) and Exhibit 2). Denial of assistance is valid grounds for appeal (see 130 CMR 610.032).

Action Taken by MassHealth

MassHealth terminated the appellant's Premium Assistance payments.

Issue

The appeal issue is whether MassHealth was correct in determining that the appellant no longer qualifies for Premium Assistance payments.

Summary of Evidence

MassHealth was represented at hearing via telephone by a MassHealth eligibility worker and a representative from Premium Assistance. The eligibility worker testified that the appellant and her family have had MassHealth Standard since 2020 with no interruption in coverage. The appellant has Harvard Pilgrim for private health insurance and MassHealth is her secondary coverage. On July 1, 2022, MassHealth issued a notice informing the appellant that MassHealth had stopped Premium Assistance payments.

The Premium Assistance representative testified that Premium Assistance was paying \$728.29 per month for the appellant's Harvard Pilgrim policy. In July, there was the annual rate update and MassHealth received updated rate information regarding the appellant's policy. The information showed that the family's deductible for its Harvard Pilgrim policy was \$8,000, which was over the allowable limit to qualify for Premium Assistance. Premium Assistance spoke to the appellant's employer to determine whether there was a health reimbursement account (HRA), which, if the employer contributed to, could bring the deductible down into allowable limits. For fiscal year 2023, the limits for the deductible are \$2,850 for an individual plan and \$5,700 for a family plan. Pursuant to 130 CMR 506.012(B), which lays out the criteria for Premium Assistance plans, health insurance coverage must meet the Basic Benefit Level (BBL) as defined in 130 CMR 501.001. Pursuant to 130 CMR 501.001, the sum of the annual deductible and the other annual out-of-pocket expenses required to be paid under the plan cannot exceed the maximum amounts described at IRC § 233(c)(2) for high deductible health plans.

The appellant responded that she is a single mother and cannot afford her health insurance plan without Premium Assistance. She has had the same Premium Assistance for six years and did not know her deductible should be within a certain amount. She did not receive any notice in the mail or guidance from Premium Assistance. She stated that her employer has a Health Savings Account (HSA) and adds about \$2,000 to it per year. Open enrollment was in June and her job will not let her adjust her insurance until next year's open enrollment.

The Premium Assistance representative stated that an HSA is typically funded by employee contribution, not the employer, and could not count toward lowering her deductible. Additionally, Premium Assistance sends out a compliance form every year. The Premium Assistance representative would send a qualifying event letter to the appellant's employer that would allow her to cancel her plan and re-enroll in a plan that would qualify for Premium Assistance payments.¹

¹ The day after hearing, the Premium Assistance representative emailed this hearing officer a copy of the qualifying event letter that was sent directly to the appellant's employer. A copy was also mailed to the appellant.

Findings of Fact

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

1. The appellant has Harvard Pilgrim for private health insurance and MassHealth Standard as her secondary insurance (Testimony).
2. On July 1, 2022, MassHealth notified the appellant that her Premium Assistance payments had stopped (Testimony and Exhibit 1).
3. The appellant's Harvard Pilgrim plan has a family deductible of \$8,000 (Testimony).
4. For fiscal year 2023, the limits for the deductible are \$2,850 for an individual plan and \$5,700 for a family plan (Testimony).
5. The appellant's employer does not contribute to a Health Reimbursement Account (Testimony).

Analysis and Conclusions of Law

Under 130 CMR 506.012(B), MassHealth may provide Premium Assistance payments to an eligible member when **all** of the following criteria are met:

(1) The health-insurance coverage meets the Basic Benefit Level (BBL) as defined in 130 CMR 501.001: *Definition of Terms*. Instruments including, but not limited to, Health Reimbursement Arrangements, Flexible Spending Arrangements, as described in IRS Pub. 969, or Health Savings Accounts, as described at IRC § 223(c)(2), cannot be used to reduce the health insurance deductible in order to meet the basic-benefit level requirement.

(2) The health-insurance policy holder is either

(a) in the PBFG; or

(b) resides with the individual who is eligible for the premium assistance benefit and is related to the individual by blood, adoption, or marriage.

(3) At least one person covered by the health-insurance policy is eligible for MassHealth benefits as described in 130 CMR 506.012(A) and the health-insurance policy is a policy that meets the criteria of the MassHealth coverage type for premium assistance benefits as described in 130 CMR 506.012(C).

(Emphasis added).

Basic Benefit Level is defined at 130 CMR 501.001 as the following:

benefits provided under a health-insurance plan that include a broad range of medical benefits as defined in the minimum creditable coverage core services

requirements in 956 CMR 5.03(1)(a); provided that the sum of the annual deductible and the other annual out-of-pocket expenses required to be paid under that plan does not exceed the maximum amounts described at IRC § 223(c)(2) for high deductible health plans.

Fiscal year 2023 limits for deductibles are \$2,850 for an individual plan and \$5,700 for a family plan. Here, the appellant's family plan has a deductible of \$8,000 and does not meet the Basic Benefit Level to qualify for Premium Assistance payments. For these reasons, MassHealth's decision was correct and the appeal is denied.

Order for MassHealth

None.

Notification of Your Right to Appeal to Court

If you disagree with this decision, you have the right to appeal to Court in accordance with Chapter 30A of the Massachusetts General Laws. To appeal, you must file a complaint with the Superior Court for the county where you reside, or Suffolk County Superior Court, within 30 days of your receipt of this decision.

Alexandra Shube
Hearing Officer
Board of Hearings

cc:

MassHealth Representative: Sylvia Tiar, Tewksbury MassHealth Enrollment Center, 367 East Street, Tewksbury, MA 01876-1957