

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2303558
Decision Date:	7/24/2023	Hearing Date:	06/13/2023
Hearing Officer:	Mariah Burns		

Appearance for Appellant:

 Parent

Appearance for MassHealth:

Anastasia Agnos, Springfield MassHealth
Enrollment Center



*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:	CommonHealth Premium
Decision Date:	7/24/2023	Hearing Date:	06/13/2023
MassHealth's Rep.:	Anastasia Agnos	Appellant's Rep.:	Parent
Hearing Location:	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 April 14, 2023, MassHealth calculated a monthly premium of \$232.40 for the appellant's CommonHealth coverage. 130 CMR 506.011 and Exhibit 1. The appellant filed a fair hearing request in a timely manner on May 2, 2023. 130 CMR 610.015(B) and Exhibit 2. The appeal was dismissed due to failure to include a proper signature and failure to enclose a copy of the notice at issue. Exhibit 3, p. 2-3. A second fair hearing request form was received in a timely manner on May 7, 2023, and hearing on the present appeal was scheduled for June 13, 2023. Exhibit 2 and Exhibit 3. Dispute of a CommonHealth premium is valid grounds for appeal. 130 CMR 610.032.

Action Taken by MassHealth

MassHealth calculated a monthly premium of \$232.40 for the appellant's CommonHealth coverage.

Issue

The appeal issue is whether MassHealth was correct, pursuant to 130 CMR 506.011, in determining that the appellant's monthly CommonHealth premium is \$232.40.

Summary of Evidence

The MassHealth representative from the Springfield MassHealth Enrollment Center appeared via video conference and testified to the following: On April 14, 2023, MassHealth issued a notice indicating that, given the end of the federal public health emergency (FPHE), MassHealth would now be charging the appellant a premium in the amount of \$232.40. At hearing, the MassHealth representative stated that the premium amount had been recalculated and adjusted downward to \$204.20. MassHealth calculated the CommonHealth premium based on appellant's income as a percentage of the federal poverty level (FPL). The appellant's monthly income was measured to be \$8,232.70, which is equal to 495.98% of the FPL for a household of two. CommonHealth members whose income exceeds 400% of the FPL, are charged a monthly premium that starts at \$202 and increases by \$10 for every additional 10% a member's household income exceeds 400% of the FPL. The appellant's premium was thus initially calculated to be \$292, but the appellant is only required to pay 70% of the full premium due to having primary private insurance coverage, ultimately resulting in the calculated monthly premium of \$204.40.

The appellant's representative appeared via video conference and stated that she agreed with MassHealth's calculation of \$8,232.70 as her monthly income. She inquired as to whether the MassHealth representative was able to view the appellant's utilization of his CommonHealth benefits, to which the MassHealth representative responded that this is not something they would be able to see on their end. The appellant's representative testified that she understood the letter and why the premium was changing, but that she had applied for CommonHealth only for the purpose of obtaining appellant coverage for Behavioral Health services through the Children's Behavioral Health Initiative (CBHI). She reported that appellant has been on a waiting list the entire time he has been on CommonHealth and therefore wasn't utilizing his CommonHealth coverage, and stated that the services the appellant is currently receiving from a therapeutic mentor are being covered by appellant's primary insurance instead of MassHealth. She expressed concern regarding the amount she is required to pay for the CommonHealth premium given that the appellant's CommonHealth benefits are not being used, and stated she was hoping to get a decrease in the monthly premiums due to this current lack of utilization. The MassHealth representative confirmed that there is no way to access Behavioral Health services without being enrolled in CommonHealth.

The MassHealth representative noted that appellant's representative may be able to obtain additional assistance with premium payments through Premium Assistance or through a hardship waiver from the Premium Billing department. The MassHealth representative provided appellant's representative with contact information for both departments.

Findings of Fact

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

1. The appellant is a child under the age of 18, is enrolled in MassHealth CommonHealth, and resides in a household of two. Testimony and Exhibit 4.
2. On April 14, 2023, MassHealth issued a notice charging the appellant a monthly premium of \$232.40. Exhibit 1.
3. Between the April 14, 2023 notice and hearing, MassHealth adjusted its calculation of the appellant's monthly CommonHealth premium from \$232.40 to \$202.40. Testimony.
4. The appellant also has primary private insurance coverage. Testimony.
5. The appellant's monthly household income is to \$8,232.70. Testimony.
6. A monthly household income of \$8,232.70 is equal to approximately 495% of the federal poverty level. Testimony.

Analysis and Conclusions of Law

As neither the appellant nor MassHealth disputes that the appellant is eligible for and receiving CommonHealth benefits, the sole issue on appeal is whether MassHealth properly calculated the appellant's monthly CommonHealth premium. The MassHealth agency may charge a monthly premium to MassHealth Standard, CommonHealth, or Family Assistance members who have income above 150% of the federal poverty level (FPL), as provided in 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 (PBF) rules as described in 130 CMR 506.011(A). Certain members are exempt from paying premiums, in accordance with 130 CMR 506.011(J).

The premium formulas for MassHealth CommonHealth members whose eligibility is described in 130 CMR 505.004(B): *Disabled Working Adults* through (G): *Disabled Children Younger than 18 Years Old* are as follows:

- (a) The premium formula for children with MassHealth MAGI household income between 150 and 300% of the FPL is provided as follows.

CommonHealth Full Premium Formula Children between 150% and 300%	
% of Federal Poverty Level (FPL)	Monthly Premium Cost
Above 150% to 200%	\$12 per child (\$36 PBFG maximum)
Above 200% to 250%	\$20 per child (\$60 PBFG maximum)
Above 250% to 300%	\$28 per child (\$84 PBFG maximum)

(b) The full premium formula for young adults with household income above 150% of the FPL, adults with household income above 150% of the FPL, and children with household income above 300% of the FPL is provided as follows. The full premium is charged to members who have no health insurance and to members for whom the MassHealth agency is paying a portion of their health-insurance premium.

CommonHealth Full Premium Formula Young Adults and Adults above 150% of the FPL and Children above 300% of the FPL		
Base Premium	Additional Premium Cost	Range of Monthly Premium Cost
Above 150% FPL—start at \$15	Add \$5 for each additional 10% FPL until 200% FPL	\$15 — \$35
Above 200% FPL—start at \$40	Add \$8 for each additional 10% FPL until 400% FPL	\$40 — \$192
Above 400% FPL—start at \$202	Add \$10 for each additional 10% FPL until 600% FPL	\$202 — \$392
Above 600% FPL—start at \$404	Add \$12 for each additional 10% FPL until 800% FPL	\$404 — \$632
Above 800% FPL—start at \$646	Add \$14 for each additional 10% FPL until 1000%	\$646 — \$912
Above 1000% FPL—start at \$928	Add \$16 for each additional 10% FPL	\$928 + greater

(c) The supplemental premium formula for young adults, adults, and children

with household income above 300% of the FPL is provided as follows. A lower supplemental premium is charged to members who have health insurance to which the MassHealth agency does not contribute. Members receiving a premium assistance payment from the MassHealth agency are not eligible for the supplemental premium rate.

CommonHealth Supplemental Premium Formula	
% of Federal Poverty Level (FPL)	Monthly Premium Cost
Above 150% to 200%	60% of full premium
Above 200% to 400%	65% of full premium
Above 400% to 600%	70% of full premium
Above 600% to 800%	75% of full premium
Above 800% to 1000%	80% of full premium
Above 1000%	85% of full premium

(d) CommonHealth members who are eligible to receive a premium assistance payment, as described in 130 CMR 506.012, that is less than the full CommonHealth premium receive their premium assistance payment as an offset to the CommonHealth premium assistance bill and are responsible for the difference.

130 CMR 506.011(B)(2) (emphasis added). MassHealth determines an applicant's MAGI by taking the countable income, which includes earned income as 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). Specifically, 130 CMR 506.007 provides how the MAGI is calculated:

(A) Financial eligibility for coverage types that are determined using the MassHealth MAGI household rules and the MassHealth Disabled Adult household rules is determined by comparing the sum of all countable income less deductions for the individual's household as described in 130 CMR 506.002 with the applicable income standard for the specific coverage type.

(1) The MassHealth agency will construct a household as described in 130 CMR 506.002 for each individual who is applying for or renewing coverage. Different households may exist within a single family, depending on the family members' familial and tax relationships to each other.

(2) Once the individual's household is established, financial eligibility is determined by using the total of all countable monthly income for each person in that individual's MassHealth MAGI or Disabled Adult household. Income of all the household members forms the basis for establishing an individual's eligibility.

(a) A household's countable income is the sum of the MAGI-based income of every individual included in the individual's household with the exception of children and tax dependents who are not expected to be required to file a return as described in 42 CFR 435.603 and 130 CMR 506.004(K)

(b) Countable 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).

(c) In determining monthly income, the MassHealth agency multiplies average weekly income by 4.333.

(3) Five percentage points of the current federal poverty level (FPL) is subtracted from the applicable household total countable income to determine eligibility of the individual under the coverage type with the highest income standard.

Here, the appellant does not dispute that he resides in a household of two, and that his total monthly household income is \$8,232.70. Based on current MassHealth Income Standards and Federal Poverty Guidelines, and after applying the five percent subtraction described in 130 CMR 506.007(A)(3) above, the appellant's household income is equal to approximately 495% of the FPL for the appellant's family size.¹

As the appellant's household income exceeds 400% of the FPL for the appellant's family size, he is subject to a baseline CommonHealth premium of \$202, which is further increased to \$292 due to his household income exceeding 400% of the FPL by an additional 95%. See 130 CMR 506.011(B)(2)(b). However, because the appellant has private insurance as his primary coverage, he is only required to pay 70% of the full \$292 premium, resulting in a monthly premium cost of \$204.40. See 506.011(B)(2)(c).

While the notice on appeal indicates that MassHealth calculated the appellant's monthly premium to be \$232.40, MassHealth adjusted appellant's monthly CommonHealth premium cost to \$204.40 prior to the hearing. Therefore, MassHealth did not err in determining appellant's monthly CommonHealth premium cost. Although, at time of hearing, the appellant's representative reported that they had yet to utilize their CommonHealth benefits, there are no regulations which require or allow MassHealth to reduce CommonHealth premium obligations based on a member's utilization levels. Accordingly, the appeal is denied.

Order for MassHealth

None, except to issue a new notice memorializing the premium amount of \$202.40, provided such

¹ See chart at <https://www.mass.gov/doc/2023-masshealth-income-standards-and-federal-poverty-guidelines-0/download>.

notice has not yet issued at the time of this decision.

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.

Mariah Burns
Hearing Officer
Board of Hearings

cc:

MassHealth Representative: Dori Mathieu, Springfield MassHealth Enrollment Center, 88 Industry Ave., Suite D, Springfield, MA 01104