

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Dismissed	Appeal Number:	2307251
Decision Date:	10/23/2023	Hearing Date:	09/25/2023
Hearing Officer:	Casey Groff, Esq.	Record Closed:	10/11/2023

Appearance for Appellant:
Pro se

Appearance for MassHealth:
Brian Hatch, Charlestown MEC



*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:	Dismissed	Issue:	Eligibility; Over 65; Excess Assets
Decision Date:	10/23/2023	Hearing Date:	09/25/2023
MassHealth's Rep.:	Brian Hatch	Appellant's Rep.:	<i>Pro se</i>
Hearing Location:	Board of Hearings (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 13, 2023, MassHealth informed Appellant that he did not qualify for MassHealth benefits because he had "more countable assets than MassHealth benefits allow." See Exhibit 2; 130 CMR §§ 520.003 and 520.004. Appellant filed a timely appeal with the Board of Hearings on August 21, 2023. See Exhibit 1; 130 CMR 610.015(B). A hearing was held on September 25, 2023. See Exhibit 3. The record was held open for the Appellant to submit additional evidence. See Exhibit 4. Denial of benefits is a valid basis for appeal. See 130 CMR 610.032.

Action Taken by MassHealth

MassHealth determined that Appellant was ineligible for MassHealth benefits because his assets exceeded the regulatory limit.

Issue

The appeal issue is whether MassHealth correctly denied Appellant's application for benefits because he exceeded the program asset limit.

Summary of Evidence

A MassHealth representative appeared at the hearing by telephone and testified as follows: On June 23, 2023, MassHealth received Appellant's renewal application for health coverage for seniors. At the time, Appellant was receiving a MassHealth Standard for individuals under the age of 65, which had been a protected benefit during the pendency of the covid-19 public health emergency (PHE). When the PHE lifted in April 2023, Appellant was no longer eligible for his existing benefit because he was over the age of 65. To be eligible for MassHealth, individuals 65 years of age or older cannot have assets that exceed \$2,000. Although Appellant reported he was not an owner of any bank accounts, a MassHealth asset verification search returned a match, showing that Appellant was the sole owner of three accounts held through a single bank. In determining Appellant's current eligibility, MassHealth counted the assets held in the three bank accounts, which came to a combined total of \$19,251.46. See Exh. 2. Accordingly, through a letter dated July 13, 2023, MassHealth notified Appellant that he was not eligible for benefits because he exceeded the \$2,000 limit by \$17,251.46. Id.

Appellant appeared at the hearing by telephone and testified that he was not the owner of the bank accounts. The assets in the account are owned by a realty trust and he has no beneficial interest in the funds. Appellant, and two other individuals, are named as officers of the trust. They have authority to pay the bills of the trust and business expenses, but in no way can use the funds for their personal benefit. Therefore, Appellant argued that the funds therein should not be counted.

The MassHealth representative responded that MassHealth had not received any information to indicate Appellant was not the owner of the accounts and thus Appellant remained ineligible. The MassHealth representative explained that to demonstrate otherwise, Appellant would need to provide MassHealth with verification from the bank identifying the specific account owners, Appellant's relationship to the account, and a description of his authority to use the account funds.

Following the hearing, the record remained open for Appellant to submit additional evidence regarding the ownership of the accounts and his relationship to the account. See Exh. 4. During the record open period, Appellant sent a letter from the bank indicating that Appellant was "apart" from the specified accounts and that he is a "Trustee on the account where he is an authorized signer." See Exh. 5.

On review, the MassHealth representative responded that MassHealth would "remove the bank accounts as assets based on the letter from the bank;" however, to determine eligibility, Appellant

would now need to provide verification of the trust, as Appellant did not report this on his application. See Exh. 6. Accordingly, through a letter dated 10/6/23, MassHealth sent Appellant a request for information seeking verification of the trust documents with a submission deadline of 1/4/24. See Exh. 7. The MassHealth representative stated that MassHealth would reopen and preserve Appellant's application date of 6/23/23. He further explained that Appellant will remain ineligible for MassHealth until all trust documents are received and reviewed (or the deadline passes), at which point MassHealth will redetermine eligibility and issue a new notice either approving or denying the application. If approved, MassHealth will honor the application date for determining a coverage start date. See Exh. 6.

Findings of Fact

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

1. On June 23, 2023, MassHealth received Appellant's renewal application for health coverage for seniors.
2. As of June 23, 2023 Appellant was receiving a MassHealth Standard for individuals under the age of 65, which had been protected during the pendency of the PHE.
3. When the PHE lifted in April 2023, Appellant was no longer eligible for his existing benefit because he was over the age of 65.
4. In determining Appellant's eligibility, a MassHealth asset verification search returned a match, showing that Appellant was the sole owner of three accounts held through a single bank.
5. In determining Appellant's current eligibility, MassHealth counted the assets held in the three bank accounts, which came to a combined total of \$19,251.46.
6. Through a letter dated July 13, 2023, MassHealth notified Appellant that he was not eligible for benefits because he exceeded the \$2,000 limit by \$17,251.46.
7. After hearing and during a record open period, Appellant submitted verification from the bank confirming that Appellant was not the owner and was "apart" from the specified accounts and that he is a "Trustee on the account where he is an authorized signer."
8. Upon receipt of the verification, MassHealth removed the assets held in the bank accounts from Appellant's case; however Appellant's application status would remain open until he submitted verification of trust documents.
9. Through a letter dated 10/6/23, MassHealth sent Appellant a request for information

seeking verification of the trust documents with a submission deadline of 1/4/24.

10. Through the fair hearing process, MassHealth agreed to preserve Appellant's application date of 6/23/23 and agreed to issue a new eligibility determination once all trust documents are received and reviewed.

Analysis and Conclusions of Law

The issue on appeal concerns whether MassHealth correctly denied Appellant's application for MassHealth community senior health benefits because he exceeded the allowable asset limit. To qualify for MassHealth benefits, individuals 65 years of age or older who live in the community, such as Appellant, must have countable income at or below 100% of the federal poverty level (FPL) and have countable assets under \$2,000.¹ See 130 CMR 519.005; see also 130 CMR 520.003(A)(1). Countable assets are all assets that must be included in the determination of eligibility and include assets to which the applicant or member (or their spouse) would be entitled whether or not those assets are received. See 130 CMR 520.007. It is the applicant or member's responsibility to verify the total amount of countable assets. Id. Generally, MassHealth considers funds held in a bank account or any financial institution as a countable asset to the extent the applicant has ownership of, and access to, such funds. See 130 CMR 520.007(B)(2).

In this case, MassHealth denied Appellant's application based on an asset data match which identified Appellant as the sole owner of three bank accounts that held a combined total of \$19,251.46, and which thereby exceeded the \$2,000 asset limit to qualify for MassHealth. Through the fair hearing process, Appellant submitted verification from the bank confirming that Appellant is not the owner of the three accounts, but that he is a trustee of the account. See Exh. 5.

On review, MassHealth removed the bank accounts as a countable asset in Appellant's case. See Exh. 6. However, because the bank confirmed Appellant was a trustee of the realty trust, MassHealth was unable to render an eligibility determination without verification of the trust documents. See 130 CMR 520.023 (generally, resources held in a trust are considered available if under any circumstances described in the terms of the trust, any of the resources can be made available to the individual). Accordingly, MassHealth reopened and preserved Appellant's June 23, 2023 application date and sought additional verification of trust documents via a request for information dated 10/6/23. See Exh. 7. This effectively rescinded the July 13, 2023 denial, thereby resolving all issues pertaining to the instant appeal. MassHealth will render a new eligibility determination dependent on Appellant's response to the 1/4/24 deadline of requested

¹ The \$2,000 limit applies to non-married individuals applying for or receiving MassHealth Standard, Family Assistance or Limited. Id. MassHealth has additional "Medicare Savings Buy-In" programs that have different asset and income limits, which are identified and published yearly by the Centers for Medicare and Medicaid Services. See 130 CMR 520.003(B).

documents. Any subsequent eligibility determination will carry new appeal rights.

Based on the foregoing, this appeal is DISMISSED.

Order for MassHealth

Rescind 7/13/23 denial notice. Preserve Appellant's 6/23/23 application date and proceed to determine eligibility in accordance with Appellant's response to 10/6/23 request for information.

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.

Implementation of this Decision

If this decision is not implemented within 30 days after the date of this decision, you should contact your MassHealth Enrollment Center. If you experience problems with the implementation of this decision, you should report this in writing to the Director of the Board of Hearings, at the address on the first page of this decision.

Casey Groff, Esq.
Hearing Officer
Board of Hearings

cc:

MassHealth Representative: Nga Tran, Charlestown MassHealth Enrollment Center, 529 Main Street, Suite 1M, Charlestown, MA 02129