

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2311130
Decision Date:	04/16/2024	Hearing Date:	12/04/2023
Hearing Officer:	Kimberly Scanlon	Record Open to:	02/16/2024

Appearance for Appellant:
Via telephone
Pro se

Appearance for MassHealth:
Via telephone
Tiffany Castellanos – 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:	Denied	Issue:	Eligibility; Under 65; Downgrade; Over income
Decision Date:	04/16/2024	Hearing Date:	12/04/2023
MassHealth's Rep.:	Tiffany Castellanos	Appellant's Rep.:	Pro se
Hearing Location:	Charlestown MassHealth Enrollment Center - Room 2 (Remote)	Aid Pending:	Yes

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 October 4, 2023, MassHealth notified the appellant that her benefits were being downgraded from MassHealth CarePlus to Health Safety Net because MassHealth determined there was a change in circumstances (Exhibit 1). The appellant filed this appeal in a timely manner on November 6, 2023 (130 CMR 610.015(B); Exhibit 2). Termination and/or reduction of assistance is valid grounds for appeal (130 CMR 610.032). At the conclusion of the hearing, the record was left open for a brief period for the appellant to submit additional documentation.

Action Taken by MassHealth

MassHealth notified the appellant that her MassHealth benefits were downgraded from MassHealth CarePlus to Health Safety Net.

Issue

The appeal issue is whether MassHealth was correct in downgrading the appellant's benefits from MassHealth CarePlus to Health Safety Net.

Summary of Evidence

The MassHealth representative and the appellant appeared at the hearing telephonically and testified as follows:

The appellant is an adult between the ages of 21 and 64 and resides in a household of one. The appellant previously received MassHealth CarePlus benefits based on her family size of four at that time. The appellant completed a renewal application in September of 2023 and updated her family size and income. The appellant indicated on her renewal application that she has access to Employer Sponsored Insurance (ESI) plans. Her reported biweekly gross income from employment amounts to \$1,605.64, or \$3,479.00 per month, which equates to 281.37% of the federal poverty level (FPL) (Exhibit 1, p. 2). The FPL limit for a family size of 1 is \$1,616.00 per month.¹ On October 4, 2023, MassHealth notified the appellant that her benefits were being downgraded from MassHealth CarePlus to Health Safety Net because of a change in her circumstances (Exhibit 1). The appellant is eligible to receive Health Safety Net coverage. *Id.* Because the appellant has access to other health insurance, she is not eligible to receive a Health Connector Care plan benefit.

The appellant did not dispute her income nor her access to other health insurance. She testified that she contacted the Health Connector and the premiums are too costly. As to health insurance offered through her employment, the appellant stated that she cannot afford ESI plans due to her lack of income and her expenses, including the costs of daily living. She opined that she should be eligible to receive MassHealth benefits. The MassHealth representative explained that the appellant is not receiving a premium tax credit through the Health Connector because she reported that she has access to other health insurance. The appellant stated that she was honest in reporting that she has access to other health insurance and that should be considered by MassHealth in determining eligibility.

The MassHealth representative testified that as a policy, when a member has access to other health insurance, said member is required to take that insurance. However, MassHealth offers a Premium Assistance program that assists members with the costs of ESI premiums. At the request of the appellant, the record was left open until December 18, 2023 for the appellant to review her options and submit additional documentation (Exhibit 5). The record was further extended until February 16, 2024 for the appellant (Exhibit 6). At the conclusion of the record open period, no further documentation was received from the appellant. *Id.*

¹ At hearing, the 2023 FPL guidelines governed. The FPL guidelines for 2024 indicate that the FPL limit for a family size of one is \$1,670.00.

Findings of Fact

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

1. The appellant is an adult between the ages of 21 and 64 and lives in a household of one.
2. The appellant previously received MassHealth CarePlus benefits. At that time, she lived in a household of four.
3. In September of 2023, the appellant completed her renewal application for MassHealth benefits.
4. On October 4, 2023, MassHealth notified the appellant that her benefits were downgraded from MassHealth CarePlus to Health Safety Net coverage because of a change in her circumstances.
5. The appellant's verified gross monthly income from employment amounts to \$3,479.00, which equates to 281.37% of the FPL for a household of one.
6. The FPL limit for a family size of 1 is \$1,616.00 per month.²
7. The appellant has access to employer-sponsored insurance.
8. The appellant timely appealed this MassHealth action.

Analysis and Conclusions of Law

The MassHealth regulations found at 130 CMR 505.000 *et. seq.* set forth the categorical requirements and financial standards that must be met to qualify for a particular MassHealth coverage type. The rules of financial responsibility and calculation of financial eligibility are detailed in 130 CMR 506.000: *Health Care Reform: MassHealth: Financial Requirements*. The MassHealth coverage types are:

- (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

² See, footnote 1, above.

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.

(130 CMR 505.001(A)).

To establish eligibility for MassHealth benefits, applicants must meet both the categorical and financial requirements. In this case, as an adult between the ages of 21 and 64, the appellant meets the categorical requirements for MassHealth CarePlus.³ The question then remains as to whether she meets the income requirements to qualify.

An applicant is financially eligible for MassHealth CarePlus if “the modified adjusted gross income of the MassHealth MAGI household is less than or equal to 133% of the federal poverty level.” (See, 130 CMR 505.002(C)(1)(a)). To determine financial eligibility, 130 CMR 506.007 requires MassHealth to construct a household for each individual person applying for or renewing coverage. That regulation provides in relevant part as follows:

(1) Taxpayers Not Claimed as a Tax Dependent on His or Her Federal Income Taxes. For an individual who expects to file a tax return for the taxable year in which the initial determination or renewal of eligibility is being made and who is not claimed as a tax dependent by another taxpayer, the household consists of

³ The record does not include any evidence to suggest that the appellant would be categorically eligible for any other MassHealth coverage type.

- (a) the taxpayer; including his or her spouse, if the taxpayers are married and filing jointly regardless of whether they are living together;
- (b) the taxpayer's spouse, if living with him or her regardless of filing status;
- (c) all persons the taxpayer expects to claim as tax dependents; and
- (d) if any woman described in 130 CMR 506.002(B)(1)(a) through (c) is pregnant, the number of expected children.

In the present case, the appellant does not dispute that she resides in a household of one.

130 CMR 506.007 describes how an applicant's modified adjusted gross income (MAGI) is calculated. It provides in relevant part, as follows:

(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 at 130 CMR 506.002 with the applicable income standard for the specific coverage type. In determining monthly income, the MassHealth agency multiplies average weekly income by 4.333. Five percentage points of the current federal poverty level is subtracted from the applicable household total countable income to determine eligibility of the individual under the coverage type with the highest income standard.

(B) The financial eligibility standards for each coverage type may be found in 130 CMR 505.000: *Health Care Reform: MassHealth: Coverage Types*.

(C) The monthly federal-poverty-level income standards are determined according to annual standards published in the *Federal Register* using the following formula. The MassHealth agency adjusts these standards annually.

- (1) Divide the annual federal poverty-level income standard as it appears in the *Federal Register* by 12.
- (2) Multiply the unrounded monthly income standard by the applicable federal-poverty-level standard.
- (3) Round up to the next whole dollar to arrive at the monthly income standards.

The appellant's verified MAGI is \$ 3,479.00.⁴ This amount exceeds 133% of the FPL for a household

⁴ In accordance with 130 CMR 506.003(A), countable income includes, in pertinent part, "the total amount of taxable

of one, which is \$1,616.00. Because the appellant's verified income is over the allowable limit to qualify for a MassHealth coverage type, I find that the action taken by MassHealth was within the regulations.

This appeal is denied.

Order for MassHealth

None, except to remove aid pending.

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.

Kimberly Scanlon
Hearing Officer
Board of Hearings

cc:

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

compensation received for work or services performed less pretax deductions. Earned income may include wages, salaries, tips, commissions, and bonuses."