

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2312970
Decision Date:	03/14/2024	Hearing Date:	01/16/2024
Hearing Officer:	Kimberly Scanlon	Record Open to:	01/26/2024

Appearance for Appellant:
Via telephone
Pro se

Appearance for MassHealth:
Via telephone
Elizabeth Nickoson – Taunton MEC

Interpreter:



*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:	03/14/2024	Hearing Date:	01/16/2024
MassHealth's Rep.:	Elizabeth Nickoson	Appellant's Rep.:	Pro se
Hearing Location:	Taunton MassHealth Enrollment Center Room 3 (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 December 1, 2023, MassHealth notified the appellant that her benefits were being downgraded from MassHealth Standard 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 December 11, 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 until January 26, 2024 for the appellant to submit additional documentation.

Action Taken by MassHealth

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

Issue

The appeal issue is whether MassHealth was correct in notifying the appellant that her benefits were being downgraded from MassHealth Standard 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 under the age of 65 and resides in a household of two with her minor child as a tax dependent. Her gross income from employment amounts to \$1,133.00 bi-weekly, or \$2,455.21 per month, which equates to 144.40% of the Federal Poverty Level (FPL). The appellant started receiving MassHealth Standard benefits on April 16, 2022, based on her [REDACTED] at that time. On December 1, 2023, MassHealth notified the appellant that her benefits were being downgraded from MassHealth Standard to Health Safety Net benefits because of a change in her circumstances (Exhibit 1). The appellant's minor child qualifies for MassHealth Standard benefits.

The appellant testified that she understands the explanation given at hearing; however, she is a single parent and has numerous medical expenses because of her pre-diabetic condition. The appellant's current income exceeds her monthly expenses. Additionally, her employment hours have since been reduced, which resulted in a reduction in her bi-weekly income.

Following the hearing, the record was left open for a brief period for the appellant to submit her updated income information (Exhibit 6). The MassHealth representative subsequently reported that the appellant's updated income information received indicates that her income is higher than the figure MassHealth has on file (Exhibit 7). The appellant did not submit any additional documentation to MassHealth showing a decrease in income and the FPL remains at 144.40%. *Id.*

Findings of Fact

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

1. The appellant is under the age of 65 years old, lives in a household of 2, and files taxes. (Testimony; Exhibit 3).
2. On December 1, 2023, MassHealth notified the appellant that her MassHealth benefits were being downgraded from Standard to Health Safety Net. (Exhibit 1).
3. The appellant's verified monthly gross income from employment amounts to \$2,455.21,

which equates to 144.40% of the FPL for a household of 2. (Testimony).

4. The appellant is eligible for Health Safety Net coverage. (Testimony; Exhibit 1).
5. The record was left open for the appellant to submit additional documentation (Exhibit 6).
6. MassHealth did not receive any further information or documentation from the appellant showing a decrease in income. (Exhibit 7).

Analysis and Conclusions of Law

The MassHealth regulations found at 130 CMR 505.000 *et. seq.* explains 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 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 a parent, the appellant meets the categorical requirements for MassHealth Standard.¹ The question then remains as to whether she meets the income requirements to qualify.

A parent or caretaker is financially eligible for MassHealth Standard 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

(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.

Here, the appellant does not dispute that she resides in a household of two (herself and her tax dependent child).

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

¹ The record does not include any evidence to suggest that the appellant would be categorically eligible for any other MassHealth coverage type.

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.

In the present case, the appellant's verified MAGI is \$2,455.21.² This amount exceeds 133% of the FPL for a household of two, which is \$2,186.00. Despite a post-hearing opportunity to re-verify her income (which she said had decreased), the appellant did not document a decrease in income. Because the appellant's verified income is over the allowable limit to qualify for any MassHealth coverage type that applies to her, I find that the action taken by MassHealth was within the regulations. This appeal is denied.³

Order for MassHealth

None, except to remove aid pending.

² In accordance with 130 CMR 506.003(A), countable income includes, in pertinent part, "the total amount of taxable compensation received for work or services performed less pretax deductions. Earned income may include wages, salaries, tips, commissions, and bonuses."

³ This denial does not preclude the appellant from contacting MassHealth to report any future changes to her income. Additionally, the appellant may direct any questions or inquiries concerning Health Safety Net to 1-877-910-2100.

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: Justine Ferreira, Taunton MassHealth Enrollment Center, 21 Spring St., Ste. 4, Taunton, MA 02780, 508-828-4616