

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied in part; Approved in part	Appeal Number:	2403208
Decision Date:	5/15/2024	Hearing Date:	04/05/2024
Hearing Officer:	Christopher Jones		

Appearance for Appellant:
Pro se

Appearances for MassHealth:
Sherrienne Paiva, Taunton MEC
Carmen Sabery, Premium Billing



*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 in part; Approved in part	Issue:	Community; Under-65; Income; CommonHealth Premium
Decision Date:	5/15/2024	Hearing Date:	04/05/2024
MassHealth's Reps.:	Sherrienne Paiva; Carmen Sabery	Appellant's Rep.:	Pro se
Hearing Location:	Virtual	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 February 28, 2024, MassHealth determined that the appellant is eligible for MassHealth CommonHealth benefits, effectively denying MassHealth Standard due to his income. (130 CMR 502.003; 506.007; Exhibit 1.) The appellant filed this appeal telephonically in a timely manner on March 8, 2024, and his MassHealth Standard coverage has been protected pending this appeal. (130 CMR 610.015(B), 610.036; Exhibit 2.) Limitations of assistance are valid grounds for appeal. (130 CMR 610.032.)

Action Taken by MassHealth

MassHealth determined that the appellant is eligible for MassHealth CommonHealth and assessed him a monthly premium.

Issue

The appeal issues are whether MassHealth was correct in determining that the appellant's income exceeds the limit allowed by the regulations for MassHealth Standard and in calculating his CommonHealth premium.

Summary of Evidence

The appellant is a disabled adult under the age of 65 who resides in a household of one. On February 22, 2024, the appellant completed a renewal application, and MassHealth approved the appellant for CommonHealth based upon a calculated income equivalent to 233.33% of the federal poverty level ("FPL"). MassHealth's representative testified that the appellant's verified gross income was \$2,895.67 monthly from Social Security Disability benefits. MassHealth updated its FPL charts on March 1, 2024, and the FPL is now \$1,255. This lowers the appellant's FPL equivalence to 225.8%.¹

At hearing, the appellant provided documentation of his monthly expenses, and testified that he believes that his Social Security benefits should not be counted as income. He testified that he is barely making ends meet as it is, and therefore could not afford the added CommonHealth premium. MassHealth's representatives explained that they must use the appellant's modified adjusted gross income ("MAGI"), but that his CommonHealth premium is reduced because he has Medicare as a primary insurance. The appellant expressed some confusion regarding what service would be covered by Medicare and how his Medicare Advantage plan interacted with his CommonHealth coverage. He was informed that any questions regarding Medicare coverage should be addressed to Social Security or perhaps a SHINE counselor.

MassHealth's Premium Billing representative submitted an exhibit showing the appellant owes a premium bill of \$41.60, starting March 1, 2024. MassHealth's representatives then confirmed that the appellant's Standard coverage is being protected pending this appeal, and that no premium is being charged while this appeal is being reviewed. MassHealth's Premium Billing representative further explained that the appellant could apply for a premium waiver if he was facing extreme financial hardship, such as being 30 days late on his rent or mortgage, or a shut-off notice from a utility. The appellant confirmed that he was not delinquent on any bills yet, but he felt he would be and that he was not getting what he deserved. The Premium Billing representative agreed to send out a hardship waiver application.

Findings of Fact

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

- 1) The appellant is a disabled adult under the age of 65 who resides in a household of one. (Testimony by MassHealth's representatives.)

¹ At hearing the appellant testified that his gross income was \$2,811.00 monthly, which would be 224% of the FPL. Ultimately, this distinction is irrelevant, as both figures would result in the same CommonHealth premium. (The 2024 FPL Chart is available at <https://www.mass.gov/doc/2024-masshealth-income-standards-and-federal-poverty-guidelines-0/download>.)

- 2) On February 22, 2024, the appellant filed a MassHealth renewal application and his gross monthly income Social Security Disability income was verified at \$2,895.67. (Testimony by MassHealth's representative.)
- 3) MassHealth determined that the appellant's countable income was 233% of the federal poverty level and approved him for CommonHealth benefits with a monthly premium of \$41.60. (Exhibit. 1.)
- 4) MassHealth billed the appellant \$41.60 for his March CommonHealth premium, but that bill was zeroed out because his Standard coverage remains in effect pending this appeal. (Exhibit 5; testimony by MassHealth's representatives.)

Analysis and Conclusions of Law

MassHealth offers a variety of coverage types based upon an individual's circumstances and finances. To qualify for MassHealth, an individual must fit into a category of eligibility and fall below the relevant financial thresholds. Financially, members under the age of 65 who seek MassHealth Standard or CarePlus benefits must have countable income under 133% of the federal poverty level. (130 CMR 505.002(E), 505.008(A).) However, disabled adults between the ages of 19 and 64 can qualify for the CommonHealth program, regardless of their income by paying a monthly premium.² (See 130 CMR 505.004(B)-(C), 506.009.)

For individuals under the age of 65, countable unearned income includes "the total amount of taxable income" a member receives "after allowable deductions on the U.S Individual Tax Return," and specifically includes "social security benefits." (130 CMR 506.003(B).) Monthly income is derived by multiplying average weekly income by 4.333, and "[f]ive 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." (130 CMR 506.007(A).)

The federal poverty level for a household of one in 2024 is \$1,225 per month. Five percent of the federal poverty level is \$62.75. The appellant's income for eligibility purposes is \$2,833.92 per month, which is equivalent to 225.8% of the federal poverty level for a household of one. Because the appellant's income is over 133% of the federal poverty level, MassHealth was correct that he is ineligible for Standard coverage. (130 CMR 505.002(E).) This appeal is DENIED to the extent that the appellant seeks MassHealth Standard coverage.

The MassHealth agency may charge a monthly premium to CommonHealth members who have income above 150% of the federal poverty level. (130 CMR 506.011.) The CommonHealth

² MassHealth no longer requires disabled members under the age of 65 to meet a one-time deductible or work 40 hours per month. (EOM 23-28 (Dec., 2023).)

premium is calculated based upon deciles above the federal poverty level. Adults with income just over 150% of the federal poverty level must pay \$15 per month. Five dollars is added for each decile above 150% of the federal poverty level, up to 200%, where the premium would be \$40. From there, eight dollars is added for each decile up to 400%. (See 130 CMR 506.011(B)(2)(b).) A supplemental premium formula provides that members with income between 200% and 400% of the federal poverty level will only be charged 65% of the full premium if they are not “receiving a premium assistance payment” (130 CMR 506.011(B)(2)(c).)

The appellant’s monthly income is between 220 and 229% of the federal poverty level. The appellant is in the second decile over 200%, which results in a full CommonHealth premium of \$56 per month. Because the appellant has Medicare and does not receive Buy-in coverage, he is entitled to the supplemental premium formula deduction, and 65% of his full premium is only \$36.40.³ This appeal is APPROVED in part to the extent that MassHealth had not yet updated the appellant’s CommonHealth premium. It is possible that this adjustment was not made because his Standard coverage was being protected pending this appeal. MassHealth should ensure that any premium are zeroed out, and that the appellant’s CommonHealth premium starts at \$36.40 for the month following the publication of this decision.

Order for MassHealth

Remove Aid Pending. If not already done, zero out the appellant’s pending CommonHealth premiums, and use \$36.40 as his monthly premium moving forward from the month following the publication 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.

³ Sixty-five percent of \$64 is \$41.60, the original premium assessed the appellant. This change is merely a factor of MassHealth’s adjusting the FPL table as of March 1, 2024.

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.

Christopher Jones
Hearing Officer
Board of Hearings

cc: MassHealth Representative: Justine Ferreira, Taunton MassHealth Enrollment Center, 21 Spring St., Ste. 4, Taunton, MA 02780;
MassHealth Rep: Maximum Premium Billing