

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2403519
Decision Date:	05/03/2024	Hearing Date:	04/18/2024
Hearing Officer:	Rebecca Brochstein, BOH Deputy Director		

Appearances for Appellant:



Appearances for MassHealth:

Sherriann Paiva, Taunton MEC



*Commonwealth of Massachusetts
Executive Office of Health and Human Services
Office of Medicaid
Board of Hearings
100 Hancock Street
Quincy, MA 02171*

APPEAL DECISION

Appeal Decision:	Denied	Issue:	Eligibility
Decision Date:	05/03/2024	Hearing Date:	04/18/2024
MassHealth Rep.:	Sherriann Paiva	Appellant's Rep.:	██████
Hearing Location:	Taunton MassHealth Enrollment Center (Telephonic)	Aid Pending:	No

Authority

This hearing was conducted pursuant to Massachusetts General Laws Chapters 118E and 30A, and the rules and regulations promulgated thereunder.

Jurisdiction

Through a notice dated January 25, 2024, MassHealth informed the appellant that he is no longer eligible for MassHealth benefits due to his household income, and that his coverage would end on February 29, 2024 (Exhibit 1). On March 4, 2024, MassHealth sent the appellant a notice stating again that he was not eligible for MassHealth benefits (Exhibit 2). The appellant filed this appeal in a timely manner on March 5, 2024 (130 CMR 610.015(B); Exhibit 3). Denial or termination of benefits is a valid basis for appeal (130 CMR 610.032).

Action Taken by MassHealth

MassHealth determined that the appellant is not eligible for MassHealth benefits.

Issue

The appeal issue is whether MassHealth correctly determined the appellant's eligibility for benefits.

Summary of Evidence

An eligibility caseworker from the Taunton MassHealth Enrollment Center appeared at the hearing, which was held telephonically. She testified that the appellant is under the age of 65 and was previously eligible for MassHealth CarePlus. On January 25, 2024, MassHealth redetermined the appellant's eligibility and found his household income exceeded the limit for CarePlus (133% of the federal poverty level); on that date, it notified him that his benefits would end on February 29, 2024. See Exhibit 1. On March 4, 2024, MassHealth again updated the appellant's case, finding the household income (from his wife's employment) was \$49,847.26 per year; this put him at 188% of the FPL for a household of three (himself, his spouse, and their daughter). On that date, MassHealth again notified him that he is not eligible for MassHealth benefits. See Exhibit 2. The appellant filed a timely appeal on March 5, 2024. See Exhibit 3.

The MassHealth representative testified that the appellant updated his case on March 26, 2024, to indicate that he and his spouse no longer claim their daughter as a tax dependent. As a result, he now has a household of two for MassHealth purposes. With income of \$49,847.26 and a household of two, the appellant remains over the limit for MassHealth benefits but is eligible for a Health Connector plan.¹ The MassHealth caseworker noted that the appellant has submitted disability supplement, but that a decision is still pending with Disability Evaluation Services (DES).

The appellant appeared at the hearing telephonically and testified on his own behalf. He stated that he is disabled due to a stroke and that the termination of his MassHealth benefits has disrupted his treatment. He testified that he used to work as a scientist but has not had any income for the last two years. He confirmed that he submitted the disability paperwork to DES and noted that he also applied for Social Security disability a year ago. He indicated that he received some paperwork from Social Security indicating that he was found disabled but has not yet received information about his benefits. He requested that his MassHealth coverage be reinstated while he awaits a disability determination.

The MassHealth representative checked the system during the hearing and reported that she did not see a decision from DES and also could not verify that the appellant has been approved as disabled by Social Security. She indicated that the appellant could submit the SSA paperwork that he has received and that MassHealth would review it.

Findings of Fact

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

1. The appellant, who is under the age of 65, was previously eligible for MassHealth CarePlus.
2. On January 25, 2024, MassHealth redetermined his eligibility and found his household income exceeded the limit for CarePlus (133% of the federal poverty level). On that date,

¹ She added that the appellant's spouse has insurance through her employer.

MassHealth notified the appellant that his benefits would end on February 29, 2024.

3. On March 4, 2024, MassHealth again updated the appellant's case, finding the household income was \$49,847.26 per year, which was 188% of the FPL for a household of three. On that date, MassHealth notified the appellant that he is not eligible for MassHealth benefits.
4. On March 5, 2024, the appellant filed a timely appeal.
5. On March 26, 2024, the appellant updated his case to indicate that he and his spouse no longer claim their daughter as a tax dependent and therefore have a household of two. The household income, from the spouse's employment, is \$49,847.26 per year.
6. The appellant filed disability paperwork with both the state's Disability Evaluation Services and the Social Security Administration. As of the hearing, MassHealth had not received confirmation of a disability determination from either agency.

Analysis and Conclusions of Law

The MassHealth coverage types are set forth at 130 CMR 505.001(A), as follows:

- (1) MassHealth Standard – for people who are pregnant, children, parents and caretaker relatives, young adults², disabled individuals, certain persons who are HIV positive, individuals with breast or cervical cancer, independent foster care adolescents, Department of Mental Health (DMH) members, and medically frail as such term is defined in 130 CMR 505.008(F);
- (2) MassHealth CommonHealth – for disabled adults, disabled young adults, and disabled children who are not eligible for MassHealth Standard;
- (3) MassHealth CarePlus – for adults 21 through 64 years of age who are not eligible for MassHealth Standard;
- (4) MassHealth Family Assistance – for children, young adults, certain noncitizens and persons who are HIV positive who are not eligible for MassHealth Standard, MassHealth CommonHealth, or MassHealth CarePlus;
- (5) MassHealth Limited – for certain lawfully present immigrants as described in 130 CMR 504.003(A): *Lawfully Present Immigrants*, nonqualified PRUCOLs, and other noncitizens as described in 130 CMR 504.003: *Immigrants*; and
- (6) MassHealth Medicare Savings Programs (MSP, also called Senior Buy-in and Buy-in)— for certain Medicare beneficiaries.

² “Young adults” are defined at 130 CMR 501.001 as those aged 19 and 20.

The financial standards referred to in 130 CMR 505.000 use MassHealth modified adjusted gross income (MAGI) household or MassHealth Disabled Adult household, as defined in 130 CMR 506.002: *Household Composition*. 130 CMR 505.001(B).

At issue in this case is MassHealth's determination that the appellant is not eligible for MassHealth benefits. As of the hearing date, the appellant did not meet any of the categorical requirements for MassHealth Standard or CommonHealth eligibility; though his disability claim is pending with both DES and the Social Security Administration, there was no indication that the appellant had yet been found disabled by either agency. He is therefore not currently eligible for either of these coverage types.

MassHealth also determined that the appellant is not eligible for MassHealth CarePlus, his previous coverage type. The categorical requirements and financial standards for CarePlus are set forth at 130 CMR 505.008(A)(2), as follows:

- (a) The individual is an adult 21 through 64 years old.
- (b) The individual is a citizen, as described in 130 CMR 504.002: *U.S. Citizens*, or a qualified noncitizen, as described in 130 CMR 504.003(A)(1): *Qualified Noncitizens*.
- (c) The individual's modified adjusted gross income of the MassHealth MAGI household is less than or equal to 133% of the federal poverty level.
- (d) The individual is ineligible for MassHealth Standard.
- (e) The adult complies with 130 CMR 505.008(C).
- (f) The individual is not enrolled in or eligible for Medicare Parts A or B

MassHealth did not dispute that the appellant meets the categorical requirements for MassHealth CarePlus, but it determined that his income exceeds the allowable limit of 133% of the federal poverty level. The procedures for calculating financial eligibility for both MassHealth MAGI and MassHealth Disabled Adult households are set forth at 130 CMR 506.007:

- (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(M).

(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.

Under 130 CMR 506.002(B)(1), the MassHealth MAGI household for a taxpayer not claimed as a tax dependent consists of:

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

Under these rules, the appellant – who is not claimed as a tax dependent, files jointly with his spouse, and has no tax dependents – has a MassHealth MAGI household of two, consisting of himself and his spouse. The appellant verified annual household income of \$49,847.26 from his spouse's employment.³ This figure is approximately 244% of the federal poverty level for a

³ There is no allegation that any of the income deductions listed at 130 CMR 506.003(D) apply to the appellant's case. These deductions, which are subject to changes in federal law, are set forth as follows: (1) educator expenses; (2) reservist/performance artist/fee-based government official expenses; (3) health savings account; (4) moving expenses, for the amount and populations allowed under federal law; (5) one-half self-employment tax; (6) self-employment retirement account; (7) penalty on early withdrawal of savings; (8) alimony paid to a former spouse for individuals with alimony agreements finalized on or before December 31, 2018. Alimony payments under separation or divorce agreements finalized after December 31, 2018, or pre-existing agreements modified after December 31, 2018, are not deductible; (9) individual retirement account (IRA); (10) student loan interest; (11) scholarships, awards, or fellowships used solely for educational purposes; and (12) other deductions described in the Tax Cut and Jobs Act of 2017, Public Law 115-97 for as long as those deductions are in effect under federal law.

household of two, substantially over the income limit of 133% FPL even with the five-percentage-point deduction set forth in 130 CMR 506.007(A)(3).⁴ Accordingly, MassHealth's determination that the appellant is not financially eligible for MassHealth CarePlus was correct.

This appeal is denied.

Order for MassHealth

None.

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.

Rebecca Brochstein
Deputy Director
Board of Hearings

cc: Taunton MEC

⁴ As set forth above, that section provides that “[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.” Five percentage points of the current FPL (\$20,448 per year for a household of two) is \$1,022.40 per year.