

**Office of Medicaid
BOARD OF HEARINGS**

Appellant Name and Address:



Appeal Decision:	Approved	Appeal Number:	2403798
Decision Date:	6/5/2024	Hearing Date:	May 23, 2024
Hearing Officer:	Brook Padgett		

Appellant Representative:

Pro se

MassHealth Representatives:

Laymaris Ortiz, Springfield MEC
Carmen Faberty, Premium Billing



*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:	Approved	Issue:	Premium Billing Tax Intercept
Decision Date:	6/5/2024	Hearing Date:	May 23, 2024
MassHealth Reps.:	L. Ortiz C. Faberty	Appellant Rep.:	Pro se
Hearing Location:	Springfield MEC (Telephonic)	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

The appellant received a Notice of Refund Applied to Debt or Transferred dated February 28, 2024 stating MassHealth through the Department of Revenue (DOR) intercepted a total of \$484.00 from the appellant's state tax refund (\$474.00 + \$10.00 processing fee) because MassHealth determined the appellant owed past due premiums for MassHealth coverage. (Exhibit 1). The appellant appealed the notice timely on March 12, 2024. (130 CMR 610.015(B); Exhibit 2). The interception of tax returns is valid grounds for appeal. (130 CMR 610.032).

Action Taken by MassHealth

MassHealth, through DOR, intercepted a total of \$484.00 from the appellant's state tax refund.

Issue

Does the appellant owe past due CommonHealth premiums.

Summary of Evidence

The MassHealth representative testified that on February 16, 2022, the appellant completed an online application without proof of income. On [REDACTED], the appellant submitted a disability supplement to the Disability Evaluation Service (DES). On July 25, 2022, the appellant's application was denied for failure to provide proof of income. MassHealth stated when the COVID protection ended, MassHealth did a review of cases and on March 04, 2023 an income match verified the appellant's income and he was approved for MassHealth CommonHealth with a premium of \$192.00. The appellant was not sent a bill for CommonHealth until June, 2023. On August 02, 2023, the appellant contacted MassHealth to cancel his coverage.

The representative from Premium Billing testified that the appellant was approved for CommonHealth coverage in March 2023 and was sent a premium bill for \$192.00 in June, July and August 2023. The representative stated appellant is responsible for the unpaid premiums of \$192.00 for June, July and August 2023 for a total of \$576.00. The Commonwealth intercepted the appellant's tax return of \$484.00 of which \$459.00 was credited to the appellant's unpaid premium bill. The appellant continues to have a remaining outstanding balance of \$117.00.

The appellant testified that last year he received a bill from MassHealth which he assumed was a mistake as he has never applied for MassHealth and has always had health insurance through his employer. When he got the second notice he called MassHealth because he thought it must be an account that was started by someone on his behalf or his email had been compromised. The appellant stated he contacted MassHealth within 90 days of receiving his first premium bill and explained he didn't apply for MassHealth, and that he did not want MassHealth and that he wanted his account closed. The MassHealth representative stated he was automatically billed because he didn't cancel his coverage in time. The appellant questioned the representative as to how he could be approved for a service he didn't sign up for and before he began paying the bill. The appellant stated the representative told him that it was taken care of and he was all set. Then in March he received a letter saying that his tax refund had been taken to pay an unpaid MassHealth debt. The appellant stated he called customer service was on hold for 2 hours after being transferred multiple times and was finally told there is nothing they can do and to file an appeal. The appellant maintained he asked to speak with a manager to be told he would receive a call on March 22, 2023; however he is still waiting for that call. The appellant maintains that he does not remember ever getting the MassHealth approval letter and the first time he was aware of his MassHealth coverage was when he received a bill in the mail.

The representative from Premium Billing stated the record indicates that MassHealth has not been billed for any medical claims of the appellant's.

Findings of Fact

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

1. The appellant or someone on his behalf filed an incomplete online application including a disability supplement on February 16, 2022. (Testimony).
2. On July 25, 2022, the appellant's application was denied for failure to provide proof of income.
3. MassHealth did an unsolicited, unprompted automatic review of the appellant's February, 2022 application in March, 2023, and the appellant was approved for MassHealth CommonHealth with a premium of \$192.00 on March 04, 2023, after a system income match. (Exhibit 4 and testimony).
4. The appellant was not sent a bill for this premium until June, 2023.
5. The appellant was sent premium bills for \$192.00 for the months of June, July and August 2023. (Exhibit 4 and testimony).
6. The appellant failed to pay his \$192.00 premium for the months of June, July and August 2023 for a total arrearage of \$576.00. (Exhibit 1).
7. The appellant cancelled his MassHealth CommonHealth coverage on August 02, 2023. (Exhibit 4 and testimony).
8. The Commonwealth intercepted \$484.00 of the appellant's tax return to satisfy the arrearage.
9. The appellant has an outstanding balance of \$117.00. (Exhibit 4 and testimony).

Analysis and Conclusions of Law

On February 16, 2022 the appellant completed an online application which was denied on July 25, 2022 for failure to provide proof of income. Nearly one year later on March 04, 2023 an automatic income match verified the appellant's income and he was approved for MassHealth CommonHealth with a premium of \$192.00. On August 02, 2023 the appellant contacted MassHealth to cancel his coverage.

MassHealth argues the appellant is responsible for the unpaid premiums of \$192.00 for June, July and August 2023 for a total of \$576.00 and requested DOR intercept the appellant's tax refund of \$484.00 of which \$459.00¹ was credited to the appellant's unpaid premium bill. According to

¹ The recoupment notice states a \$10.00 fee was taken from the \$484.00 so that \$474.00 was used to satisfy the outstanding debt. Premium Billing testified MassHealth received only \$459.00 from DOR to deduct from the appellant's

MassHealth, the appellant continues to have a remaining outstanding balance of \$117.00.

The appellant received a MassHealth denial notice in July, 2022 and took no further action in regards to re-applying for MassHealth. MassHealth conducted an unsolicited, unprompted review of the appellant's February, 2022 application in March, 2023 and, through a match with another state or federal agency, verified his income. Based on the income match, MassHealth approved the appellant for CommonHealth with a premium of \$192.00. MassHealth did not send a premium bill to the appellant until June 2023. The appellant credibly testified, and the evidence supports, that he was unaware he was approved for MassHealth as he did not apply and he had health insurance through work and did not need MassHealth coverage. Based on the fact that the appellant had received a MassHealth denial notice in July, 2022 and had taken no further action in pursuing a MassHealth application, I determine it was reasonable that he did not open or read any MassHealth notice or the subsequent premium bills thinking the envelopes contained junk mail.²

At the beginning of the COVID-19 public health emergency (PHE), the federal government issued continuous coverage requirements. Beginning March 2020, MassHealth put protections in place so that individuals receiving Medicaid would generally not lose their coverage unless they voluntarily withdrew, moved out of state, or passed away. These continuous coverage requirements ended April 01, 2023. The Eligibility Operations Memorandum (EOM) 23-18 directs MassHealth to review members eligibility to ensure they still qualify for MassHealth benefits. The EOM states for those members who had benefits protected before April 01, 2023, MassHealth cannot close or downgrade coverage (or take "adverse action") until a complete annual renewal or review is performed.³

While MassHealth did not close or downgrade the appellant's coverage, MassHealth did assess and begin billing the appellant a premium. This can reasonably be considered an adverse action and requires a complete annual renewal or review to be performed before action can be taken. Further it is reasonable that the appellant would disregard letters from MassHealth when he did not apply for coverage. In addition even if the appellant had applied for MassHealth in 2022 it is reasonable to ignore the MassHealth correspondence a year later or to believe it was a solicitation as the appellant had never completed a new application after the previous denial.

debt of \$576.00 leaving a \$117.00 balance. Based on the notice, \$474.00 of the tax refund should have gone to the debt so the appellant would have a balance of \$102.00 not \$117.00. While the notice does state "a processing fee of up to \$25.00 may be deducted from your refund" it appears individuals subject to Premium Billing tax refund recoupment by DOR are unknowingly paying a \$25.00 fee despite the notice stating a \$10.00 fee is being deducted.

² It is further noted that pursuant to 130 CMR 506.011(D), If the MassHealth agency has billed a member for a premium payment, and the member does not pay the entire amount billed within 60 days of the date on the bill, the member's eligibility for benefits is terminated. MassHealth should have terminated the appellant's eligibility within 60 days of the first bill, or August 01, 2023 rather than continue to bill for the months of August and September.

³ Eligibility Operations Memorandum 23-18 MassHealth Policy Updates to Support Return to Normal Business Operations (April 01, 2023 – March 31, 2024).

It is further concerning that the appellant has other private health insurance and MassHealth did not do a review of eligibility for MassHealth Premium Assistance as is required by regulation.

I find the Appellant is not responsible for the assessed premium bills for June, July and August 2023 as the premium bill was a result of an automatic redetermination and not an annual review as required by EOM 23-18. Further, the appellant called to terminate the coverage within 60 days of receiving the first bill.

For the above reasons, the appeal is APPROVED.

Order for MassHealth

Rescind the appellant's premiums assessed for June, July, August and September 2023 and refund all funds transferred from the appellant's state tax refund including any processing fees (\$484.00).

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, Division of Medical Assistance, at the address on the first page of this decision.

Brook Padgett
Hearing Officer
Board of Hearings

Cc: Premium Billing, Quincy MEC