

**Office of Medicaid
BOARD OF HEARINGS**

Appellant Name and Address:



Appeal Decision:	Approved	Appeal Number:	2404360
Decision Date:	06/13/2024	Hearing Date:	04/23/2024
Hearing Officer:	Kimberly Scanlon		

Appearance for Appellant:



Appearance for MassHealth:

Via videoconference

Christine Richelson – Tewksbury MEC;

Karishma Raja – 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:	Approved	Issue:	Tax Intercept
Decision Date:	06/13/2024	Hearing Date:	04/23/2024
MassHealth's Rep.:	Christine Richelson; Karishma Raja	Appellant's Rep.:	Pro se
Hearing Location:	Tewksbury MassHealth Enrollment Center Room 1 (Remote)	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

Through a notice dated February 27, 2024, the Massachusetts Department of Revenue (DOR) informed the appellant that a total of \$281 had been deducted from her state income tax refund to satisfy an outstanding unpaid debt due to the Executive Office of Health and Human Services (EOHHS) (Exhibit 1). The appellant filed this appeal in a timely manner on March 6, 2024 (130 CMR 610.015(B); Exhibit 2). The interception of a state tax refund to satisfy a debt is valid grounds for appeal (130 CMR 610.032; G.L. c. 62D, § 6).

Action Taken by MassHealth

MassHealth, through DOR, intercepted a total of \$281 from the appellant's state tax refund to satisfy an outstanding debt for unpaid premiums.

Issue

The appeal issue is whether MassHealth was correct in determining that the appellant owed past-due premiums.

Summary of Evidence

MassHealth was represented virtually at the hearing by an eligibility representative and a representative from the Premium Billing Unit. The record establishes the following: On July 18, 2017, the MassHealth computer system indicates that the appellant submitted an application to MassHealth. The system does not indicate whether the application received was paper or electronic. The MassHealth representative testified that she was unable to locate a paper application for the appellant, nor are there any notations in the computer system indicating whether the appellant applied for MassHealth benefits telephonically.¹ On or about July 18, 2017, MassHealth determined that the appellant was eligible to receive Children's Medical Security Plan (CMSP) benefits for her minor child. MassHealth sent the appellant an approval notice to an address located in the state of [REDACTED]. The approval notice indicated that the appellant was assessed a monthly premium of \$33.14. There are no other updates listed within the MassHealth system except for automatic renewal notices. All automatic renewal notices generated by MassHealth were also mailed to the appellant at an address located in the state of [REDACTED].

Specifically, the MassHealth computer system automatically generated approval notices that were mailed to the appellant at an [REDACTED] address in 2018, 2021, 2022 and 2023. With respect to 2019, MassHealth mailed the appellant a renewal notice on December 30, 2019 to the [REDACTED] address, informing her that she must renew her MassHealth application by March 2020 or risk the termination of her benefits. The MassHealth representative testified that MassHealth never received the appellant's renewal application and that MassHealth would have terminated the appellant's benefits, but COVID-19 protections had been newly implemented enabling the appellant to retain her benefits without the submission of the renewal application.

The MassHealth representative stated that MassHealth did not receive any correspondence from the appellant and that the MassHealth computer system automatically generated these renewal letters. The only time that MassHealth did receive correspondence from the appellant occurred on or about March 5, 2024 when the appellant contacted MassHealth to inquire about the DOR notice that she received (Exhibit 1). During that telephone call, the appellant voluntarily withdrew her MassHealth application (Exhibit 6, p. 6). MassHealth mailed the appellant a notice dated March 5, 2024 to the [REDACTED] address indicating that she withdrew her application. *Id.*

¹ The MassHealth representative further explained that the MassHealth computer system has updated numerous times since 2017.

As to the most recent auto-renewal notice addressed to the appellant, the Premium Billing representative testified that this notice was generated by MassHealth on May 5, 2023 (Exhibit 6, pp. 8-9). The May 5, 2023 auto-renewal notice mailed to the [REDACTED] address states that the appellant was assessed a \$64 monthly premium for CMSP benefits for her minor child beginning in June 2023 (Exhibit 6, p. 8-9). Additionally, the May 5, 2023 notice instructs the appellant to contact MassHealth to cancel her benefits within 60 days if she does not want to pay this premium. *Id.* The Premium Billing representative stated that the appellant was billed this \$64 monthly premium for the months of June through September of 2023, totaling \$256 (Exhibit 6, p. 5).

On October 17, 2023, MassHealth mailed the appellant a termination notice to the [REDACTED] address, which stated that the appellant's CMSP benefits for her child would end on October 31, 2023 because of past due premiums (Exhibit 6, p. 7). On February 27, 2024, DOR sent the appellant the notice on appeal to her Massachusetts residence. The DOR notice informed the appellant that funds had been deducted from her state income tax refund to satisfy an outstanding debt of \$281 (representing the amount of the unpaid premiums for the months of June through September of 2023) (Exhibit 1).²

The appellant appeared at the hearing by telephone and testified that she never received any of the MassHealth notices that were mailed to her former residence located in [REDACTED]. The appellant was not aware that she applied for MassHealth benefits for her child. Moreover, the appellant's entire family (including her child) is fully covered through an employer-sponsored insurance (ESI) health plan (Exhibit 2, p. 2). The appellant never received any premium invoices from MassHealth. *Id.* Upon receiving the DOR notice, the appellant contacted MassHealth. At that time, she learned that MassHealth had her previous [REDACTED] address on file, where she has not resided since July 2017 upon moving to Massachusetts.³ The appellant testified that she did not receive any forwarded mail nor any e-mails from MassHealth concerning this matter. *Id.* When the appellant first moved to Massachusetts, she researched online whether her family would need temporary health coverage until her ESI plan went into effect. The appellant testified that she was unaware she inadvertently electronically applied for MassHealth coverage while performing this research and has never used CMSP benefits for her child. The MassHealth representative reiterated that the MassHealth computer system indicates the appellant never contacted MassHealth, and that the notices mailed to the appellant at an [REDACTED] address (with the exception of the 2019, where the appellant's benefits remained due to COVID-19 protections) were all auto-renewed. The appellant stated that she was not made aware that her child was approved for CMSP benefits until she

² At hearing, the appellant inquired as to how the \$281 amount was calculated because the unpaid premiums that the Premium Billing representative testified to amounted to \$256. The Premium Billing representative explained that additional fees are applied from DOR. While the DOR notice indicates that a \$10 fee is applied, it remains unclear how the \$281 figure was calculated.

³ Both the DOR notice and scheduling notice sent to the appellant indicate her current address is in the Commonwealth of Massachusetts. All the MassHealth notices, including the most recent withdrawal notice dated March 5, 2024 following the appellant's March 5, 2024 phone call to MassHealth, were mailed to the appellant's former address in [REDACTED].

received the DOR notice dated February 27, 2024.

Findings of Fact

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

1. On or about July 18, 2017, MassHealth received an application from the appellant for benefits.
2. The MassHealth computer system does not indicate what type of application was received. MassHealth does not have a paper application on file for the appellant.
3. On or about July 18, 2017, MassHealth approved the appellant's child for CMSP benefits with a monthly premium of \$33.17. MassHealth mailed the appellant an approval notice reflecting this to her former residential address in [REDACTED]
4. The appellant moved to Massachusetts in July of 2017.
5. MassHealth did not receive any correspondence from the appellant thereafter.
6. The MassHealth computer system automatically generated approval notices that were sent to the appellant's former [REDACTED] address in 2018, 2021, 2022, and 2023.
7. In 2019, MassHealth mailed the appellant a renewal notice to her former [REDACTED] address, informing her that she must renew her benefits by March of 2020 or said benefits would end.
8. MassHealth never received the appellant's renewal application. Due to COVID-19 protections that were implemented at that time, her case remained open with MassHealth.
9. On October 17, 2023, MassHealth sent the appellant a termination notice to the appellant's former [REDACTED] address, informing her of past due premiums that remain unpaid for the months of June through September of 2023.
10. On February 27, 2024, DOR intercepted \$281 of the appellant's state income tax refund to satisfy the debt for the unpaid premiums.
11. The February 27, 2024 DOR notice was mailed to the appellant's current mailing address located in the Commonwealth of Massachusetts.
12. The appellant timely appealed this action.

Analysis and Conclusions of Law

The issue in this appeal is DOR's interception and transfer of a portion of the appellant's 2023 state income tax refund to satisfy an outstanding debt to MassHealth for unpaid premiums (G.L. c. 7A; G.L. c. 62D; 815 CMR 9.00). Pursuant 130 CMR 506.011(D)(3), the MassHealth agency may refer a member who is 150 days or more in arrears to the State Intercept Program (SIP) in compliance with 815 CMR 9.00: *Collection of Debts*.

MassHealth determined that the appellant owes a total of \$256 in unpaid premiums for the months of June through September of 2023 (\$64 for each month). The total intercept amount of \$281 represents the unpaid premiums, plus fees. The appellant argues that the tax intercept was improper because she never received notice from MassHealth indicating that her child had been approved for MassHealth benefits, that her family had been assessed a monthly premium, or that benefits were being terminated due to past-due premiums.

The appellant presented credible testimony that she was not aware she applied for any MassHealth benefits and accordingly did not contact MassHealth regarding an address change when she moved to Massachusetts in July 2017. It is undisputed that all the relevant MassHealth notices, including the initial approval notice that notified her of a premium obligation, were mailed to the appellant's former address in [REDACTED]. These circumstances lead me to conclude that the appellant was never made aware that her child was approved for MassHealth coverage or that she owed any premiums. In light of these facts, the appellant is not responsible for any past-due premiums, and thus should not have any portion of her tax refund intercepted pursuant to 130 CMR 506.011(D)(3)).

This appeal is approved.

Order for MassHealth

Reimburse the appellant the total amount of intercepted funds (\$281).

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.

Kimberly Scanlon
Hearing Officer
Board of Hearings

cc:

MassHealth Representative: Sylvia Tiar, Tewksbury MassHealth Enrollment Center, 367 East Street, Tewksbury, MA 01876-1957, 978-863-9290

MassHealth Premium Billing