

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Approved	Appeal Number:	2404451
Decision Date:	6/12/2024	Hearing Date:	04/23/2024
Hearing Officer:	Kimberly Scanlon		

Appearance for Appellant:
Via telephone
Pro se

Appearance for MassHealth:
Via telephone
Christine Richelson – Tewksbury MEC;
Carmen Fabery – 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:	6/12/2024	Hearing Date:	04/23/2024
MassHealth's Reps.:	Christine Richelson; Carmen Fabery	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 26, 2024, the Massachusetts Department of Revenue (DOR) informed the appellant that a total of \$316.20 has been deducted from his 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 14, 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 \$316.20 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 at the hearing by an eligibility representative and a representative from the Premium Billing Unit; both parties participated by telephone. The record establishes the following: the appellant applied for MassHealth benefits on January 19, 2020. On that same date, MassHealth denied the appellant's application because it determined that his household income exceeded the allowable income limits. On March 4, 2023, MassHealth automatically re-determined the appellant's case, thereby approving him for MassHealth CommonHealth coverage beginning on February 22, 2023 (Exhibit 5, pp. 7-9). The MassHealth representative explained that the reason for this approval had to do with a change in requirements of CommonHealth coverage; this change resulted in the approval for MassHealth CommonHealth coverage. MassHealth sent the appellant an approval notice at the address listed on file. *Id.*

The Premium Billing representative explained that MassHealth determined that the appellant was eligible for MassHealth CommonHealth benefits on March 4, 2023, and was assessed a \$72.80 monthly premium beginning in April of 2023 (Exhibit 5, pp. 4, 7-9). The notice further states that if the appellant does not want to pay a monthly premium, he must contact MassHealth to cancel his benefits within 60 days (Exhibit 5, p. 8). The Premium Billing representative further explained that due to the Public Health Emergency (PHE) protections that were implemented at that time, the appellant was not invoiced for the \$72.80 monthly premium until June of 2023. The appellant was billed a monthly premium of \$72.80 for the months of June through September of 2023. On September 28, 2023, MassHealth sent the appellant a termination notice to the address listed on file, informing him that his coverage would end on October 12, 2023 because of past due premiums (Exhibit 5, p. 6). On or about February 26, 2024, DOR sent the appellant a notice on appeal. This notice informed the appellant that funds had been deducted from his state income tax refund to satisfy an outstanding debt of \$291.20 (representing the amount of the unpaid premiums for the months of June through September of 2023) (Exhibit 5, p. 4).¹

The MassHealth representative testified that case notes indicate that the appellant contacted MassHealth on or about March 7, 2024, inquiring as to the reason that he received the February 26, 2024 DOR notice because he was denied MassHealth benefits in 2020. The appellant further indicated during that telephone call that he never received any of the MassHealth notices above and was therefore not made aware that he was subsequently approved for CommonHealth

¹ The DOR notice states that the amount to be intercepted from the appellant's state tax refund is \$316.20 (Exhibit 1). At hearing, the Premium Billing representative explained that additional fees are applied from DOR. While the DOR notice indicates that a \$10.00 fee is applied, it remains unclear how the \$316.20 figure was calculated.

coverage. Thus, the appellant did not contact MassHealth to cancel his CommonHealth coverage because he was never made aware that he was subsequently approved after he was denied in 2020. As a result of his telephone call, MassHealth withdrew the appellant's MassHealth application (Exhibit 5, p. 5).

The appellant appeared at the hearing by telephone and expressed his frustration with the MassHealth process. He explained that he was never made aware that he was subsequently approved for MassHealth benefits after receiving a denial notice in 2020. Moreover, his residential address changed in 2021. The appellant stated that he immediately notified the post office of his change in address. He clarified that he never contacted MassHealth after the 2020 denial until he received the February 26, 2024 DOR notice.² The appellant further testified that he began receiving Medicare coverage sometime in 2023. The appellant stated that he resided at the address that MassHealth has on file in 2020, when he initially applied for benefits. At that time, the appellant was sick and unable to work.³ MassHealth denied his 2020 application after determining that the appellant's household income for a family size of 2 exceeded the income limits to receive MassHealth benefits. The appellant explained that he changed his residential address in 2021 and again in 2023. He reiterated that the post office was made aware of his change of address each time, for mail forwarding purposes. The appellant made inquiry as to how he could be charged for benefits that he never knew he had. He explained that he never received a MassHealth card or anything in writing indicating that he was approved for MassHealth benefits after his 2020 application was denied. The MassHealth representative explained that a MassHealth member card was automatically mailed to the appellant on March 5, 2023, to the 2020 address listed on file. The appellant inquired as to the reason why none of this information was forwarded to his current address because he promptly notified the post office when he moved in 2021 and 2023. He explained that he never contacted MassHealth to update his address because he never received any further information from MassHealth after his application was denied in 2020.

Findings of Fact

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

1. On or about January 19, 2020, the appellant submitted a MassHealth application seeking coverage.
2. On or about January 19, 2020, MassHealth denied the appellant's application because MassHealth determined that his household income exceeded the allowable limits to receive MassHealth benefits.

² Both the DOR notice and scheduling notice sent to the appellant indicate that his current address is different from the address listed on the MassHealth notices dated: March 4, 2023; September 28, 2023; and March 7, 2024, respectively.

³ The appellant explained that he was subsequently deemed disabled because of his medical diagnosis.

3. The appellant re-located his residential address sometime in 2021 and again in 2023. Each time the appellant moved; he notified the post office for mail forwarding purposes.
4. On or about March 4, 2023, MassHealth automatically re-determined the appellant's case, resulting in a MassHealth CommonHealth approval notice. This notice assessed a monthly premium of \$72.80 beginning in April of 2023. This notice was sent to the appellant's 2020 address listed on file.
5. Due to the implementation of COVID protections, the appellant was not billed a \$72.80 monthly premium until June of 2023.
6. The appellant was assessed a monthly \$72.80 premium from June through September 2023; he did not pay any of these premiums because he did receive notice of his approval for benefits and did not receive any of the premium bills.
6. On September 28, 2023, MassHealth sent the appellant a termination notice, informing him of past due premiums that remain unpaid for the months of June through September of 2023. The termination notice was sent to the appellant's 2020 address listed on file.
7. On February 26, 2024, DOR intercepted \$316.20 of the appellant's state income tax refund to satisfy the debt for the unpaid premiums.
8. The DOR notice was mailed to the appellant's current mailing address.
9. 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). Per 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 \$291.20 unpaid premiums for the months of June through September of 2023 (\$72.80 for each month). The total intercept amount of \$316.20 represents the unpaid premiums, plus fees. The appellant argues that the tax intercept was improper because he never received notice from MassHealth indicating that he was approved for MassHealth benefit – an event that occurred over two years after he was initially denied benefits.

The appellant presented credible testimony that he changed his residential address both in 2021 and in 2023, and that each time he changed address he notified the post office. That he did not notify MassHealth of his address change makes sense – he had been denied benefits years earlier and understood that his relationship with the agency had ended. The 2023 and 2024 notices generated by MassHealth were mailed to the appellant at his former address (Exhibit 5, pp. 5-9). These circumstances lead me to conclude that the appellant was never made aware that he was approved for MassHealth coverage and therefore he was not made aware that he 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 his 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 (\$316.20).

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 Representative: Premium Billing Unit