

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2406026
Decision Date:	07/9/2024	Hearing Date:	05/21/2024
Hearing Officer:	Casey Groff, Esq.		

Appearance for Appellant:



Appearance for MassHealth:

George Beals, Charlestown MassHealth
Enrollment Center



*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	Issue:	Eligibility; Under 65; Income
Decision Date:	07/9/2024	Hearing Date:	05/21/2024
MassHealth's Rep.:	George Beales	Appellant's Rep.:	██████
Hearing Location:	Charlestown MassHealth Enrollment Center (in-person)	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 3/23/24, MassHealth informed Appellant that he did not qualify for MassHealth benefits because his income exceeded the program limit. See Exh. 1. Appellant filed this appeal in a timely manner on 4/16/24. See 130 CMR 610.015(B). Denial of assistance is valid grounds for appeal. See 130 CMR 610.032.

Action Taken by MassHealth

MassHealth informed Appellant that he is not eligible for MassHealth benefits because his income exceeds the program limit.

Issue

The appeal issue is whether MassHealth correctly determined that Appellant did not qualify for benefits because his income exceeds program limits.

Summary of Evidence

A MassHealth eligibility representative appeared at the hearing and testified as follows: Appellant is an adult, under the age of 65, and is in a household size of one (1). On 12/18/23, MassHealth notified Appellant that he did not qualify for assistance because his income exceeded program limits, and because of this, his benefit ended on 2/9/24. An update was subsequently made on Appellant's case, prompting MassHealth to issue a notice on 3/23/24 indicating that Appellant did not qualify for MassHealth benefits because his income exceeded program limits under 130 CMR 506.007(B) and 502.003. See Exh. 1. The MassHealth eligibility representative testified that Appellant's case reflects reported earned income of \$800 per-week, which amounts to approximately \$3,466.40 per month. This places Appellant at 271.21% of the federal poverty level (FPL). In order to qualify for MassHealth benefits, the individual's income must not exceed 133% of the FPL, which, for a household size of one, is \$1,670. The MassHealth representative indicated that, according to his case file, Appellant did not have a verified "disability" that would otherwise render him eligible for CommonHealth. Specifically, there is no information indicating Appellant has been deemed disabled through the Social Security Administration (SSA). In addition, the system showed that a 4/30/24 entry in Appellant's case from UMASS Disability Evaluation Services (DES), indicating that Appellant had not been found "disabled."¹ Absent a verified disability, MassHealth must use the standard income guidelines in determining eligibility. Based on Appellant's current reported income, he is over 133% FPL limit, and thus does not qualify for MassHealth. Appellant does, however, qualify for a ConnectorCare plan and may pursue enrollment in a plan by contacting the MassHealth Health Connector.

Appellant appeared at the hearing and testified that he is a recovering addict and takes multiple daily medications to manage his health conditions and maintain his stability. Since his benefit ended, he has had to pay out of pocket for his medications, resulting in substantial expenses. Appellant indicated that prior to hearing, he submitted a disability supplement to seek but that he has not received a response. Appellant testified that he absolutely should qualify as disabled given his medical conditions and history of addiction.

Appellant did not dispute the income figures cited by MassHealth but noted that the \$800 per-week is his gross income and does not reflect his child support payment obligations of \$150 per-week, as well as other taxes and deductions. In reviewing allowable deductions, Appellant confirmed that he does not make any student loan interest payments. He also noted he is not self-employed and would not owe any self-employment tax. Appellant testified that he cannot afford a Health Connector plan, nor can he continue making out-of-pocket medical expenses. Appellant argued that MassHealth should not use gross income to determine eligibility, as it does not reflect the actual amount received.

Findings of Fact

¹ The MassHealth representative provided Appellant with contact information to call DES and inquire about the status of his DES supplement and/or obtain an explanation for its determination.

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

1. Appellant is an adult, under the age of 65, and is in a household size of one (1).
2. Appellant receives gross earned income of \$800 per-week, which amounts to approximately \$3,466.40 per month, and which places Appellant at 271.21% of the FPL.
3. Using the reported income information, MassHealth informed Appellant, through a notice dated 3/23/24, that he did not qualify for MassHealth benefits because his income exceeded program limits under 130 CMR 506.007(B) and 502.003.
4. As of the hearing date, Appellant did not have a verified disability as determined by the SSA or through the UMass disability evaluation services (DES).

Analysis and Conclusions of Law

The issue on appeal is whether MassHealth correctly determined that Appellant did not qualify for MassHealth benefits because his income exceeded program limits. As described in its regulations, MassHealth provides individuals with access to health care by determining the coverage type that provides the applicant with the most comprehensive benefit for which they are eligible. See 130 CMR 501.003(A). The MassHealth coverage types are listed as follows:

- (1) Standard for pregnant women, children, parents and caretaker relatives, young adults,² disabled individuals, certain persons who are HIV positive, individuals with breast or cervical cancer, independent foster care adolescents, Department of Mental Health members, and medically frail as such term is defined in 130 CMR 505.008(F);
- (2) CommonHealth for disabled adults, disabled young adults, and disabled children who are not eligible for MassHealth Standard;
- (3) CarePlus for adults 21 through 64 years of age who are not eligible for MassHealth Standard;
- (4) Family Assistance for children, young adults, certain noncitizens and persons who are HIV positive who are not eligible for MassHealth Standard, CommonHealth, or CarePlus;
- (5) Small Business Employee Premium Assistance for adults or young adults

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

(6) Limited for certain lawfully present immigrants as described in 130 CMR 504.003(A), nonqualified PRUCOLs and other noncitizens as described in 130 CMR 504.003: Immigrants; and

(7) Senior Buy-in and Buy-in for certain Medicare beneficiaries.

See 130 CMR 505.001(A)

To establish eligibility for MassHealth, applicants must meet *both* categorical and financial requirements. As of the hearing date, Appellant did not have a verified disability or “special circumstance” that would render him categorically eligible for either Standard or CommonHealth. As an adult between ages 21-64 without a verified disability or special circumstance, the most comprehensive coverage type Appellant would be categorically eligible for is CarePlus. To be financially eligible for CarePlus, an individual’s modified adjusted gross income³ (MAGI) must be less than or equal to 133% of the federal poverty level (FPL), which, for a household of one (1), is \$1,670 per-month. See 130 CMR 505.008(A)(2); see also 2024 MassHealth Income Standards & Federal Poverty Guidelines. Countable household income includes both earned and unearned taxable income, less deductions permitted by federal law when calculating MAGI countable income and which are codified in 130 CMR 506.003(D).⁴ See 130 CMR 506.003.

The evidence shows that Appellant receives a total weekly income of \$800, which amounts to gross earned income of approximately \$3,466.40 per month. This places him at 271.21% of the FPL and renders him ineligible for MassHealth coverage. While Appellant noted that his gross income figures do not reflect his expenses, including \$150 in weekly child support payments, there is no evidence to indicate any such expenses qualify as allowable deductions under 130 CMR 506.003(D). Appellant has not demonstrated that MassHealth erred in its 3/23/24 eligibility determination.

Based on the foregoing, this appeal is DENIED.

³ The MassHealth definition of MAGI is consistent with the federal definition under I.R.C. s. 36(B)(d)(2) with the following exceptions: (1) an amount received as a lump sum only counts as income in the month received; (2) scholarships, awards, or fellowship grants used for education purposes, and not for living expenses, are excluded from income; (3) certain taxable income received by American Indians and Alaska Natives is excluded from income as described in 42 CFR § 435.603(e).

⁴ The federal deductions, which are enumerated in 130 CMR 506.003(D), consist of the following: (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... (9) individual retirement account; (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.

In disputing MassHealth's 3/23/24 eligibility determination, Appellant also took issue with MassHealth's practice of determining eligibility based on an individual's gross income, as opposed to net income. This argument, however, amounts to a challenge to the legality of applicable law and cannot be adjudicated in this hearing decision. Appellant may, however, raise such arguments on judicial review in accordance with M.G.L. c. 30A.⁵

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.

Casey Groff, Esq.
Hearing Officer
Board of Hearings

cc:

MassHealth Representative: Nga Tran, Charlestown MassHealth Enrollment Center, 529 Main Street, Suite 1M, Charlestown, MA 02129

⁵ MassHealth Fair Hearing Rules at 130 CMR 610.082(C)(2) state that:

The hearing officer must not render a decision regarding the legality of federal or state law including, but not limited to, the MassHealth regulations. If the legality of such law or regulations is raised by the appellant, the hearing officer must render a decision based on the applicable law or regulation as interpreted by the MassHealth agency. Such decision must include a statement that the hearing officer cannot rule on the legality of such law or regulation and must be subject to judicial review in accordance with 130 CMR 610.092.