

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Dismissed in part, Denied in part	Appeal Number:	2406059
Decision Date:	05/31/2024	Hearing Date:	05/14/2024
Hearing Officer:	Amy B. Kullar, Esq.	Record Open to:	05/28/2024

Appearance for Appellant:
Pro se

Appearance for MassHealth:
Kelly Souza, Taunton



*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:	Dismissed in part, Denied in part	Issue:	Verifications, Community Eligibility, Over Age 65
Decision Date:	05/31/2024	Hearing Date:	05/14/2024
MassHealth's Rep.:	Kelly Souza	Appellant's Rep.:	Pro se
Hearing Location:	Taunton MassHealth Enrollment Center Room 1	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 April 8, 2024, MassHealth terminated the appellant's MassHealth benefits because MassHealth determined that the verification process had not yet been completed (see 130 CMR 515.008 and Exhibit 1). The appellant filed this appeal in a timely manner on April 17, 2024 (see 130 CMR 610.015 and Exhibit 2). Termination of assistance is valid grounds for appeal (see 130 CMR 610.032).

Notice of the hearing was issued on April 19, 2024 (Exhibit 3).

Action Taken by MassHealth

MassHealth terminated the appellant's MassHealth benefits.

Issue

The appeal issue is whether MassHealth was correct, pursuant to 130 CMR 515.008, in terminating the appellant's benefits due to a failure to comply with its verification request.

Summary of Evidence

A representative from MassHealth, appearing telephonically, testified that Appellant is over the age of 65 and is in a household of one. MassHealth conducted an annual eligibility review of the appellant's coverage in March, 2024. She had previously been enrolled in MassHealth CarePlus. On March 8, 2024, MassHealth sent the appellant a request for additional information regarding her assets. The two requested verifications still outstanding as of the date of hearing were her Form 1099 income information, and the value of the appellant's vehicle.

The appellant, also appearing telephonically, testified that she would be able to provide her 2023 tax returns and proof of the value of her vehicle via email to the MassHealth worker within a day or two of the hearing.

The record was left open until May 28, 2024 for the appellant to submit all requested verifications.

On May 23, 2024, the MassHealth representative indicated that she had received all the requested documents and, as a consequence, was able to determine that the appellant was eligible for Health Safety Net – Partial. (Exhibit 5).

During the record open period the appellant reported that her monthly gross income is \$3,619.91. MassHealth determined that Appellant's income is 280% of the federal poverty level (FPL). Based on the information submitted during the record open period, the MassHealth caseworker determined that appellant was eligible for Health Safety Net - Partial.

Findings of Fact

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

1. In March 2024, MassHealth conducted an eligibility review of the appellant's case.
2. The appellant is over age 65 and is a household of one.
3. The appellant was most recently enrolled in MassHealth CarePlus.
4. On March 8, 2024, MassHealth notified the appellant that her MassHealth benefits were

being terminated because the verification process had not yet been completed (Exhibit 1).

5. As of the denial and hearing date, the requested verifications included the appellant's Form 1099 income information and proof of the value of the appellant's vehicle (Exhibit 1, Testimony).
6. The record was left open until May 28, 2024, for the submission of the requested verifications and MassHealth's response to these documents.
7. On May 23, 2024, the MassHealth representative indicated that she had received all the requested documents and consequently was able to approve the appellant for MassHealth Health Safety Net – Partial. (Exhibit 6).
8. The appellant's gross monthly income is \$3,619.91 (Exhibit 6).

Analysis and Conclusions of Law

The applicant or member must cooperate with MassHealth in providing information necessary to establish and maintain eligibility and must comply with all the rules and regulations of the MassHealth program including recovery (130 CMR 515.008(A)). If the requested information is not received, MassHealth benefits may be denied (130 CMR 516.001).

In the instant appeal, the appellant's MassHealth benefits were terminated due to her failure to provide documents necessary to determine her eligibility. The requested verifications were submitted during the extended record-open period, however, and MassHealth was able to determine that the appellant is eligible for Health Safety Net – Partial.

MassHealth regulations at 130 CMR 505.000 *et seq.* explain the categorical requirements and financial standards that must be met to qualify for a MassHealth coverage type. The rules of financial responsibility and calculation of financial eligibility are detailed in 130 CMR 506.000: *Health Care Reform: MassHealth: Financial Requirements*. The MassHealth coverage types are:

- (1) MassHealth Standard – for people who are pregnant, children, parents and caretaker relatives, young adults, 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 – for certain Medicare beneficiaries.

130 CMR 505.001(A).

In order to establish eligibility for MassHealth benefits, applicants must meet both the categorical and financial requirements. MassHealth determines financial eligibility based on an applicant's modified adjusted gross income. MassHealth takes the countable income, which includes earned income as described in 130 CMR 506.003(A) and unearned income described in 130 CMR 506.003(B) and subtracts deductions described in 130 CMR 506.003(D). 130 CMR 506.007. Per 130 CMR 506.003, the regulatory definitions of earned income, unearned income and deductions are as follows:

(A) Earned Income.

- (1) Earned income is the total amount of taxable compensation received for work or services performed less pretax deductions. Earned income may include wages, salaries, tips, commissions, and bonuses.
- (2) Earned taxable income for the self-employed is the total amount of taxable annual income from self-employment after deducting annual business expenses listed or allowable on a U.S. Individual Tax Return. Self-employment income may be a profit or a loss.
- (3) Earned income from S-Corporations or Partnerships is the total amount of taxable annual profit (or loss) after deducting business expenses listed or allowable on a U.S. Individual Tax Return.
- (4) Seasonal income or other reasonably predictable future income is taxable income derived from an income source that may fluctuate during the year. Annual gross taxable income is divided by 12 to obtain a monthly taxable gross income with the following exception: if the applicant or member has a disabling illness or accident during or after the seasonal employment or other reasonably predictable future income period that prevents the person's continued or future employment, only current taxable income will be considered in the eligibility determination.

(B) Unearned Income.

- (1) Unearned income is the total amount of taxable income that does not directly result from the individual's own labor after allowable deductions on the U.S Individual Tax Return.

(2) Unearned income may include, but is not limited to, social security benefits, railroad retirement benefits, pensions, annuities, certain trusts, interest and dividend income, state or local tax refund for a tax you deducted in the previous year, and gross gambling income.

(C) Rental Income. Rental income is the total amount of taxable income less any deductions listed or allowable on an applicant's or member's U.S. Individual Tax Return.

(D) Deductions. Under federal law, the following deductions are allowed when calculating MAGI countable income. Changes to federal law may impact the availability of these deductions:

- (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.

An adult under the age of 65 is eligible for MassHealth's CarePlus benefit if his or her income is at or below 133% of the FPL. 130 CMR 505.008(A)(2)(c). MassHealth determines monthly income by multiplying weekly income by 4.333 (130 CMR 506.007(A)(2)(c)). The appellant had this benefit in the past.

Here, the appellant is now over age of 65, with a gross monthly income is \$3,619.91. The appellant is over the age of eligibility to qualify for MassHealth CarePlus. To be eligible for MassHealth Standard as a person over age 65, the appellant's income may not exceed 100% of the federal poverty level, and her countable assets may not exceed \$2,000.00. Also, the appellant has not been deemed disabled, so she is not eligible for MassHealth CommonHealth.

MassHealth's decision was correct. The appellant is eligible for Health Safety Net-Partial or a Health Connector plan. Appellant can direct any questions about Health Connector plans to 1-877-MA-ENROLL (1-877-623-6765), or inquiries concerning Health Safety Net to 877-910-2100.

Accordingly, this appeal is DISMISSED as to the issue of verifications and DENIED as to eligibility for a MassHealth benefit.

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.

Amy B. Kullar, Esq.
Hearing Officer
Board of Hearings

cc: MassHealth Representative: Justine Ferreira, Taunton MassHealth Enrollment Center, 21 Spring St., Ste. 4, Taunton, MA 02780, 508-828-4616