

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Approved	Appeal Number:	2407154
Decision Date:	06/28/2024	Hearing Date:	06/06/2024
Hearing Officer:	Thomas J. Goode		

Appearance for Appellant:



Appearance for MassHealth:

Dionne Wisdom, Springfield 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 Premium Billing
Decision Date:	06/28/2024	Hearing Date:	06/06/2024
MassHealth's Rep.:	Dionne Wisdom Karishma Raja	Appellant's Rep.:	
Hearing Location:	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

Appellant received a Notice of Refund Applied to Debt or Transferred dated April 18, 2024, stating that MassHealth through the Department of Revenue (DOR) intercepted a total of \$419.80 from Appellant's state tax refund (\$409.80 + \$10.00 processing fee) because MassHealth determined that Appellant owed past due premiums for MassHealth coverage (Exhibit 1). Appellant timely appealed the notice on May 2, 2024 (130 CMR 610.015(B) and Exhibit 2) The interception of tax returns is valid grounds for appeal (130 CMR 610.032).

Action Taken by MassHealth

MassHealth, through the Department of Revenue, intercepted a total of \$419.80 from Appellant's state tax refund for past due premiums.

Issue

The issue is whether MassHealth, through the Department of Revenue, correctly intercepted \$419.80 from Appellant's state tax refund for past due premiums.

Summary of Evidence

The MassHealth representative testified that on November 15, 2022, MassHealth issued a notice informing Appellant that a renewal was due to be completed and returned to MassHealth by December 30, 2022 (Exhibit 5). The renewal was not returned to MassHealth. On January 4, 2023, Appellant's coverage was automatically renewed, and Appellant was informed that she was eligible for CommonHealth effective December 25, 2022, with a \$197.40 premium starting in February 2023 (Exhibit 6). MassHealth testified that a note in the application system shows that Appellant called MassHealth on March 23, 2023, to ask about the CommonHealth approval. MassHealth testified that due to Covid/Public Health Emergency (PHE) protections, MassHealth was not issuing invoices for premiums due until June 2023. Appellant was sent a premium bill for \$197.40 for both June 2023 and July 2023. On July 24, 2023, MassHealth issued a termination notice effective August 7, 2023, because Appellant called on July 24, 2023, to terminate MassHealth coverage (Exhibit 7). On April 18, 2024, Appellant's Massachusetts state tax refund was intercepted for \$419.80, and \$394.80 was received by MassHealth on April 19, 2024. The intercept payment was applied to June 2023 and July 2023 invoices. Following the application of the intercepted funds, Appellant does not have a balance.

Appellant's spouse testified that he and Appellant have private insurance, and never wanted MassHealth insurance, which they did not use. Appellant added that they assumed the coverage was free because they were never billed until June 2023, after which they called MassHealth to cancel.

MassHealth verified that Appellants have private insurance and were billed for CommonHealth coverage at the supplemental premium rate. Premium Billing testified that to avoid premiums, Appellants needed to cancel the coverage within 90 days of the January 4, 2023 approval notice.

Findings of Fact

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

1. On November 15, 2022, MassHealth issued a notice informing Appellants that a renewal was due to be completed and returned to MassHealth by December 30, 2022. The renewal was not returned to MassHealth.
2. On January 4, 2023, Appellant's coverage was automatically renewed, and Appellant was informed that she was eligible for CommonHealth effective December 25, 2022, with a \$197.40 premium starting in February 2023.
3. On March 23, 2023, Appellant called MassHealth to inquire about the CommonHealth approval.

4. Due to Covid/Public Health Emergency (PHE) protections, MassHealth did not issue premium invoices until June 2023.
5. Appellant was sent a premium bill for \$197.40 for June 2023 and July 2023.
6. On July 24, 2023, MassHealth issued a termination notice effective August 7, 2023, because Appellant called MassHealth on July 24, 2023 to terminate MassHealth coverage.
7. On April 18, 2024, Appellant's Massachusetts state tax refund was intercepted for \$419.80, and \$394.80 was received by MassHealth on April 19, 2024. The intercept payment was applied to June 2023 and July 2023 invoices. Following the application of the intercepted funds, Appellant does not have a balance.
8. Appellant and her spouse have private insurance and were billed for CommonHealth at the supplemental premium rate.
9. Appellant did not use CommonHealth insurance.

Analysis and Conclusions of Law

MassHealth argued that Appellant is responsible for the unpaid premiums of \$197.40 for June and July 2023 and, through DOR, MassHealth intercepted a total of \$419.80 from Appellant's tax refund resulting in a payment of \$394.80 to MassHealth on April 19, 2024. The intercept payment was applied to June 2023 and July 2023 invoices.

On November 15, 2022, MassHealth sent Appellant a notice informing Appellant that a renewal was due to be completed and returned to MassHealth by December 30, 2022. Appellant did not complete nor return the renewal to MassHealth. Despite not receiving the renewal application, on January 4, 2023, MassHealth automatically renewed Appellant's case, but noted that she would have a monthly premium of \$197.40 for CommonHealth (Exhibit 6). Appellant contacted MassHealth in March, 2023 with regard to the notice.

At the beginning of the COVID-19 Public Health Emergency (PHE), the federal government issued continuous coverage requirements. Beginning in 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. 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.¹ While in Appellant's case MassHealth did not close or downgrade Appellant's coverage, MassHealth automatically renewed Appellant's coverage without a completed annual review, and began billing Appellant a premium in June 2023 which is reasonably considered an adverse action requiring a complete annual renewal or review to be performed before the action can be taken.

MassHealth argued that Appellant was required to terminate the coverage 90 days from the January 4, 2023 notice to not incur premiums.² Pursuant to 130 CMR 506.011(C)(5), if the member contacts the MassHealth agency by telephone, in writing, or online and requests a voluntary withdrawal within 60 calendar days from the date of the eligibility notice and premium notification, MassHealth premiums are waived.³ Appellant's spouse testified, and the evidence supports, that Appellant and her spouse had employer-sponsored health insurance and believed there was no cost for the CommonHealth coverage in which she was automatically enrolled in January 2023.⁴ Appellant's testimony is credible because until June 2023 there was no cost for the coverage due to Covid/PHE protections. Although Appellant called MassHealth in March 2023 to inquire about the approval for CommonHealth, she would have been told there was no premium due for the coverage because in fact MassHealth was not issuing premium bills at that time. Therefore, it is reasonable to conclude that Appellant's first notification of an actual premium due occurred with the receipt of the premium invoice for June 2023. On July 24, 2023, Appellant called MassHealth to cancel the coverage within 60 days of receiving the June 2023 notice of the first actual premium. Therefore, I find that Appellant is not responsible for the premium bills for June 2023 and July 2023 because an annual review was not completed prior to the adverse action of implementing an assessed premium as required by EOM 23-18; and Appellant called MassHealth and terminated the coverage within 60 days of receiving the first notice of an actual premium amount due in June 2023, which represented a change in the previous premium of \$0 in effect due to Covid/PHE protections.

For the above reasons, the appeal is APPROVED.

Order for MassHealth

Rescind Appellant's premiums assessed for June 2023 and, July 2023, and refund to Appellant \$419.80 (including fees) transferred from Appellant's state tax refund.

¹ Eligibility Operations Memorandum 23-18 MassHealth Policy Updates to Support Return to Normal Business Operations (April 01, 2023 – March 31, 2024).

² See Eligibility Operations Memorandum 23-09.

³ The January 4, 2024 notice states "[i]f you do not want to pay the premium, you must tell us to cancel your benefits within 60 days from the date you were notified of a new or changed premium." (Exhibit 6, p. 2).

⁴ See also Appellant's statements that they thought there was no cost for the insurance at Exhibit 2.

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.

Thomas J. Goode
Hearing Officer
Board of Hearings

cc:

Appeals Coordinator, Springfield MassHealth Enrollment Center
Karishma Raja, Premium Billing