

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2408164
Decision Date:	8/22/2024	Hearing Date:	07/12/2024
Hearing Officer:	Christopher Jones	Record Open to:	7/26/2024

Appearances for Appellant:

Pro se



Appearances for MassHealth:

Carmen Fabery - Premium Billing

Rachael Dorsey – 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:	Under-65; Eligibility; CommonHealth; Premium
Decision Date:	8/22/2024	Hearing Date:	07/12/2024
MassHealth's Reps.:	Rachael Dorsey; Carmen Fabery	Appellant's Reps.:	Pro se; Spouse
Hearing Location:	Telphonic	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 26, 2024, MassHealth approved the appellant for MassHealth CommonHealth with a \$608 per month premium. (Exhibit 1; 130 CMR 505.004.) The appellant filed this appeal in a timely manner on May 21, 2024. (Exhibit 2; 130 CMR 610.015(B).) Limitations on assistance are valid grounds for appeal. (See 130 CMR 610.032.)

The record was left open following the appeal until July 26, 2024, for the appellant to confirm whether he wanted to keep his CommonHealth coverage or withdraw from coverage.

Action Taken by MassHealth

MassHealth determined that the appellant's household income made him ineligible for MassHealth Standard and calculated a CommonHealth premium of \$608 per month.

Issue

The appeal issue is whether MassHealth was correct, pursuant to 130 CMR 505.004 and 506.012, in determining that the appellant is eligible for CommonHealth with a \$608 per month premium.

Summary of Evidence

MassHealth's representative testified that on or around April 9, 2024, the appellant applied for MassHealth benefits. This application identified that the appellant and his wife live together and file taxes jointly. The appellant is under the age of [REDACTED] and he has zero income, but his wife earns \$160,000 per year. This application was denied, based upon household income equivalent to 777% of the federal poverty level for a household of two. The appellant subsequently submitted a disability supplement, and on April 26 MassHealth approved the appellant for CommonHealth coverage with a \$680 per month premium.

The appellant explained that he has been disabled based upon multiple psychiatric conditions, and he has been unemployed since having heart attacks in [REDACTED]. The appellant has received psychiatric care in residential facilities that the appellant understood prioritized MassHealth beneficiaries. Therefore, he wanted to ensure he had MassHealth to continue receiving psychiatric care. The appellant testified that he should receive a premium hardship because he has zero income. He testified that he had submitted a hardship waiver application about a month ago but had not received a determination yet. MassHealth's Premium Billing representative testified that their computer system did not show a hardship waiver as being submitted. She also explained the criteria for the hardship waiver; the appellant would need to show that they are late on their mortgage or rent, had a shutoff notice from a utility, or medical bills exceeding 7.5% of the household's gross annual income.

The appellant believed he qualified based on these criteria, but he was having difficulty explaining his situation. He asked that his wife participate in the hearing. The appellant's wife confirmed that the household size and income, and that they would not qualify for any of the hardship conditions, as she ensures that the household bills are paid. She was very frustrated to learn that the appellant was, in fact, approved for MassHealth and that this coverage would cost \$608 per month. She testified that the appellant could be enrolled in her employer sponsored insurance, but that it would be expensive to do so, and it would not cover the residential psychiatric facilities where he had received treatment in the past as a MassHealth beneficiary. At the moment, she had understood him to be uninsured.

It was explained that the appellant could keep his CommonHealth and pay the premium. Or he could withdraw from CommonHealth, and MassHealth would waive the premiums because he filed his appeal within 60 days of having the CommonHealth approved. The appellant's wife was also told that she could ask MassHealth's Premium Assistance department to review her employer-sponsored insurance. If it qualified for Premium Assistance payments, and the appellant enrolled in both it and CommonHealth, MassHealth would then pay the employer-sponsored insurance premium for the household.

The record was left open following the appeal until July 26, 2024. The appellant was afforded the opportunity to file another hardship waiver with documentation, or request to withdraw from CommonHealth coverage. The appellant did not respond.

Findings of Fact

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

- 1) The appellant and his wife live together and file taxes jointly. The appellant is under the age of [REDACTED] and he has zero income. (Testimony by the appellant.)
- 2) The appellant's wife earns \$160,000 per year and ensures that the household is not behind on any bills. The appellant is not covered by any other insurance than his MassHealth CommonHealth. (Testimony the appellant's wife.)
- 3) An April 9, 2024 application was denied because the appellant's household income was too high. (Testimony by MassHealth's representative.)
- 4) The appellant submitted a disability supplement, and on April 26, 2024, MassHealth approved the appellant for CommonHealth with a \$608 per month premium. (Exhibit 1.)
- 5) The appellant had not submitted a hardship waiver as of the hearing date. (Testimony by Premium Billing representative.)
- 6) The hearing record was left open for the appellant to either file a hardship waiver or to withdraw from his CommonHealth coverage. The appellant did not respond. (Exhibit 6.)

Analysis and Conclusions of Law

MassHealth offers a variety of coverage types based upon an individual's circumstances and finances. To qualify for MassHealth, an individual must fit into a category of eligibility and fall below the relevant financial thresholds. Financial eligibility is "determined by comparing the sum of all countable income ... for the individual's household ... with the applicable income standard for the specific coverage type." (130 CMR 505.007(A).) Applicants under the age of [REDACTED] who seek MassHealth Standard or CarePlus benefits must have countable income under 133% of the federal poverty level. (130 CMR 505.002(E), 505.008(A).) However, disabled adults between the ages of [REDACTED] [REDACTED] can qualify for the CommonHealth program, regardless of their income by paying a monthly premium.¹ (See 130 CMR 505.004(B)-(C), 506.009.)

¹ MassHealth no longer requires disabled members under the age of [REDACTED] to meet a one-time deductible or work 40 hours per month. (EOM 23-28 (Dec. 2023).)

For individuals under the age of [REDACTED] countable unearned income includes “the total amount of taxable income” a member receives “after allowable deductions on the U.S Individual Tax Return,” and specifically includes “social security benefits.” (130 CMR 506.003(B).) Monthly income is derived by multiplying average weekly income by 4.333, and “[f]ive percentage points of the current federal poverty level (FPL) is subtracted from the applicable household total countable income to determine eligibility of the individual under the coverage type with the highest income standard.” (130 CMR 506.007(A).)

The federal poverty level for a household of two in 2024 is \$1,704 per month. Five percent of the federal poverty level is \$85.20. The appellant’s income for eligibility purposes is \$13,248.13 per month, which is equivalent to 777.47% of the federal poverty level for a household of two. Because the appellant’s income is over 133% of the federal poverty level, MassHealth was correct that he is ineligible for Standard coverage. (130 CMR 505.002(E).) This appeal is DENIED to the extent that the appellant seeks MassHealth Standard coverage.

The MassHealth agency may charge a monthly premium to CommonHealth members who have income above 150% of the federal poverty level. (130 CMR 506.011.) The CommonHealth premium is calculated based upon deciles above the federal poverty level. Adults with income just over 600% of the federal poverty level must pay \$404 per month. Twelve dollars is added for each additional 10% of the federal poverty level until 800% (See 130 CMR 506.011(B)(2)(b).) A supplemental premium formula provides that members with income between 600% and 800% of the federal poverty level will only be charged 75% of the full premium if they have other health insurance but are not “receiving a premium assistance payment” (130 CMR 506.011(B)(2)(c).)

MassHealth allows a member “60 calendar days from the date of the eligibility notice and premium notification” to voluntarily withdraw from benefits, and if they do so “MassHealth premiums are waived.” (130 CMR 506.011(C)(5).) Furthermore, it is the member’s responsibility to notify MassHealth of their intention to withdraw, and the “member is responsible for the payment of all premiums up to and including the calendar month of withdrawal, unless the request for voluntary withdrawal is made in accordance with 130 CMR 506.011(C)(5).” (130 CMR 506.011(H).)

MassHealth determined the appellant’s CommonHealth premium based upon a household income of 777% of the federal poverty level. The assessed premium of \$608 is equal to \$404 + (\$12 *17), because the appellant’s income is within the seventeenth decile over 600% of the federal poverty level. The appellant confirmed that he had no other insurance, therefore he cannot be eligible for a supplemental premium reduction. Therefore, MassHealth correctly calculated the appellant’s CommonHealth premium. Further, the appellant did not avail themselves of the opportunity to withdraw from coverage either within 60 days of the CommonHealth notice or during the record open period of this appeal. The CommonHealth premiums are appropriately billed, and this appeal is DENIED.

The appellant alleged that he had already submitted a hardship waiver, and the record was left open for him to submit a copy into the hearing record. MassHealth’s Premium Billing department

could not find one in their computer system, and the appellant did not submit another request during the record open period. However, the criteria for a hardship waiver are:

Waiver or Reduction of Premiums for Undue Financial Hardship.

(1) Undue financial hardship means that the member has shown ... the member

(a) is homeless, or is more than 30 days in arrears in rent or mortgage payments, or has received a current eviction or foreclosure notice;

(b) has a current shut-off notice, or has been shut off, or has a current refusal to deliver essential utilities (gas, electric, oil, water, or telephone);

(c) has medical and/or dental expenses, totaling more than 7.5% of the family group's gross annual income, that are not subject to payment by the Health Safety Net, and have not been paid by a third-party insurance, including MassHealth (in this case "medical and dental expenses" means any outstanding medical or dental services debt that is currently owed by the family group or any medical or dental expenses paid by the family group within the 12 months prior to the date of application for a waiver, regardless of the date of service);

(d) has experienced a significant, unavoidable increase in essential expenses within the last six months;

(e) 1. is a MassHealth CommonHealth member who has accessed available third-party insurance or has no third-party insurance; and

2. the total monthly premium charged for MassHealth CommonHealth will cause extreme financial hardship the family, such that the paying of premiums could cause the family difficulty in paying for housing, food, utilities, transportation, other essential expenses, or would otherwise materially interfere with MassHealth's goal of providing affordable health insurance to low-income persons; or

(f) has suffered within the six months prior to the date of application for a waiver, or is likely to suffer in the six months following such date, economic hardship because of a state or federally declared disaster or public health emergency.

(130 CMR 506.011(G)(1).)

The appellant has not alleged any of these facts, and his wife testified that none of them were applicable to the household's situation.

Finally, the appellant's wife can contact MassHealth's Premium Assistance department to review her employer-sponsored insurance. If it qualified for Premium Assistance payments, and the appellant enrolled in both it and CommonHealth, MassHealth would then pay the employer-sponsored insurance premium for the household pursuant to 130 CMR 505.004(K); 506.012.

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.

Christopher Jones
Hearing Officer
Board of Hearings

MassHealth Representative: Quincy MEC, Attn: Appeals Coordinator, 100 Hancock Street, 6th Floor, Quincy, MA 02171
Premium Billing