

# Office of Medicaid BOARD OF HEARINGS

**Appellant Name and Address:**



<b>Appeal Decision:</b>	Denied	<b>Appeal Number:</b>	2408464
<b>Decision Date:</b>	08/01/2024	<b>Hearing Date:</b>	07/02/2024
<b>Hearing Officer:</b>	Alexandra Shube		

**Appearance for Appellant:**



**Appearance for MassHealth:**

*Via telephone:*

Jacob Sommer, Charlestown 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

<b>Appeal Decision:</b>	Denied	<b>Issue:</b>	Premium Billing; Tax Intercept
<b>Decision Date:</b>	08/01/2024	<b>Hearing Date:</b>	07/02/2024
<b>MassHealth's Rep.:</b>	Jacob Sommer Karishma Raja	<b>Appellant's Rep.:</b>	Pro se
<b>Hearing Location:</b>	Charlestown MassHealth Enrollment Center – Remote	<b>Aid Pending:</b>	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 18, 2024, the Massachusetts Department of Revenue (DOR) informed the appellant that a deduction of \$144.60 had been intercepted from his state income tax refund to satisfy an outstanding unpaid balance due to the Executive Office of Health and Human Services (Exhibit 1). The appellant filed this appeal in a timely manner on May 28, 2024 (see 130 CMR 610.015(B) and Exhibit 2). The interception of a state tax refund to satisfy a debt is a valid basis for appeal (130 CMR 610.032; G. L. c. 62D, § 6).

### Action Taken by MassHealth

MassHealth, through DOR, intercepted \$144.60 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 appellants owed past-due premiums.

## Summary of Evidence

The appellant, MassHealth eligibility worker, and MassHealth Premium Billing representative all appeared at hearing via telephone. The MassHealth eligibility worker testified as follows: on October 17, 2023, MassHealth ran a determination for the appellant and approved the appellant, a disabled working adult, for MassHealth CommonHealth, effective October 7, 2023, with a monthly premium of \$119.60. MassHealth issued a notice on October 17, 2023 informing the appellant of the approval and monthly premium. The premium was based on the household's adjusted gross income which was between 380-390% of the Federal Poverty Level (FPL). Based on that income, the base premium was \$184 per month, but it was reduced by 35% (to \$119.60) because the appellant has other health insurance. MassHealth did not receive any premium payments and did not receive any requests to close the case, so on January 19, 2024, MassHealth issued a termination notice due to past unpaid premiums with a termination date of February 2, 2024. The case was closed administratively on March 25, 2024 after the appellant called to voluntarily withdraw his case.

The Premium Billing representative explained that after the appellant was determined eligible for MassHealth CommonHealth, he was billed a monthly premium of \$119.60 for three months, from November 2023 through January 2024. The case was terminated for non-payment of premiums on January 19, 2024, but the appellant owed a total of \$358.80 for the three months.

On March 15, 2024, MassHealth issued a final notice informing the appellant that his account was 120 days past due and it was now delinquent for failure to pay premiums. His Massachusetts state tax refund was intercepted on April 19, 2024 in the amount of \$119.60, which was applied to the November 2023 invoice in the full amount. There was a \$25 processing fee which made the total amount intercepted \$144.60. The appellant still has a balance due on his account for December 2023 and January 2024 totaling \$239.20. The appellant appealed the April 18, 2024 Notice of Refund Applied to Debt or Transferred informing him of the \$144.60 intercept.

The appellant testified that he has insurance through his wife. He was told multiple times in the past that he did not qualify, so he stopped applying for MassHealth. He got letters over the last few months saying he didn't qualify but he did not receive the October 2023 notice, a MassHealth card, or bills.<sup>1</sup> He did not know he had MassHealth coverage until he learned of the tax intercept,

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<sup>1</sup> With his request for a fair hearing, the appellant submitted the April 18, 2024 Notice of Refund Applied to Debt or Transferred under appeal, the March 15, 2024 Final Notice that his premium is 120 days past due, the March 25,

at which point he called to cancel his coverage. He has an issue with his mail. The mail carrier will leave his mail outside his door instead of in the mailbox. Sometimes, people steal his mail. He stated he found an April 2024 bill that was already opened outside his door. He stated that \$358.80 was taken out of his taxes.<sup>2</sup>

MassHealth stated that previously, on August 26, 2023, August 28, 2022, and August 24, 2021, MassHealth had issued notices informing the appellant and his wife that they did not qualify for MassHealth; however, on October 17, 2023, the MassHealth system saw that the appellant had a verified disability and approved the appellant for MassHealth CommonHealth. The appellant's wife was denied at that time for not submitting a renewal. On October 18, 2023, MassHealth mailed the appellant a MassHealth ID card to the address on file which the appellant confirmed was correct. Premium Billing sent bills to the same address.

## Findings of Fact

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

1. On May 28, 2024, the appellant timely appealed a Notice of Refund Applied to Debt or Transferred dated April 18, 2024 (Exhibits 1 and 2).
2. On October 17, 2023, MassHealth notified the appellant that he was approved for MassHealth CommonHealth effective October 7, 2023 with a monthly premium of \$119.60 (Testimony and Exhibit 5).
3. The appellant's premium payments began in November 2023 and he did not pay them for November 2023 through January 2024 (Testimony and Exhibit 5).
4. On January 19, 2024, the appellant's MassHealth CommonHealth coverage was terminated due to non-payment of premiums (Testimony and Exhibit 5).
5. On March 15, 2024, MassHealth issued a final notice informing the appellant that his account was 120 days past due and it was now delinquent for failure to pay premiums (Testimony and Exhibit 6).
6. On March 25, 2024, MassHealth notified that appellant that he voluntarily withdrew his application (Testimony and Exhibits 5 and 6).

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2024 MassHealth notice informing him that he withdrew his application, and the April 2024 MassHealth Premium Bill.

<sup>2</sup> The April 18, 2024 notice under appeal states that the amount intercepted was \$144.60 (\$119.60 for one month's premium plus the \$25 processing fee). The Premium Billing representative testified that it only received \$119.60 for one month and the bill for the remaining two months (\$239.20) remains outstanding.

7. The appellant reported difficulties with his mail; however, with his request for a fair hearing, the appellant submitted copies he received of the following notices: the April 18, 2024 Notice of Refund Applied to Debt or Transferred under appeal; the March 15, 2024 Final Notice that his premium is 120 days past due; the March 25, 2024 MassHealth notice informing him that he withdrew his application; and the April 2024 MassHealth Premium Bill.

## Analysis and Conclusions of Law

At issue in this case is DOR's interception and transfer of a portion of the appellant's state income tax refund to satisfy an outstanding debt to MassHealth for unpaid premiums. See G. L. c. 7A and 62D; 815 CMR 9.00. MassHealth determined that the appellant owed a total of \$358.80 in unpaid MassHealth CommonHealth premiums at the time his MassHealth case closed. The appellant's MassHealth tax refund was intercepted in a state intercept payment of \$119.60 which Premium Billing received on April 19, 2024. With the \$25 processing fee, the total amount intercepted from the tax refund was \$144.60. The appellant still has a \$239.20 balance owed to MassHealth.

Pursuant to 130 CMR 506.011(B)(1), persons described in 130 CMR 501.006, 505.002(C)(2), (F)(2), and (H), 505.004(B) through (E), 505.005(B)(3), (E) through (G), and 522.004(C) who are assessed a premium are responsible for monthly premium payments beginning with the calendar month following the date of MassHealth's eligibility determination, unless the member contacts the MassHealth agency, by telephone or in writing, and requests a voluntary withdrawal within 60 calendar days from the date of the eligibility notice and premium notification. See 130 CMR 506.011(C)(5).<sup>3</sup>

As a disabled working adult, the appellant was eligible for MassHealth CommonHealth as described in 505.004(B). On October 17, 2023, MassHealth notified the appellant that he was approved for MassHealth CommonHealth with a start date of October 7, 2023 and a \$119.60 monthly premium. The notice was sent on October 17, 2023 to the correct address on file and a MassHealth ID card was mailed to the same address on October 18, 2023. As such, he was responsible for the monthly premium payments beginning in November 2023. The appellant had 90 days, or until January 15, 2024, to voluntarily withdraw and not be held responsible for the premiums, but he did not do so until March 25, 2024. In addition to the approval notice on October 17, 2023, MassHealth also issued a January 19, 2024 notice informing him that his coverage was terminating due to unpaid premiums.

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<sup>3</sup> The regulation states 60 days; however, Premium Billing's current practice is 90 days from the date of notice to voluntarily withdraw without owing any premiums.

The appellant suggested that the tax intercept was improper because he was unaware he had MassHealth coverage and he has insurance through his wife. He did not recall receiving the October 2023 notice or the bills, but had received other mail from MassHealth in the past. He received the March 15, 2024 overdue premium notice, the March 25, 2024 notice closing his case due to voluntary withdrawal, and an April 2024 bill. He has issues with his mail. The mail carrier will leave it outside his door instead of in the mailbox. Sometimes, people steal his mail. He found the April 2024 premium bill already opened, outside his door.

Based on the testimony and evidence presented at hearing, the decision made by MassHealth regarding the amount due to the agency was correct. Unfortunately, it appears that the appellant has an issue with his mail, but the MassHealth notices informing the appellant of his coverage and premiums owed were properly issued. There is no dispute that the appellant failed to pay the three months of MassHealth CommonHealth premiums at issue.

815 CMR 9.00 provides Billing Entities with access to services that promote the efficiency and effectiveness of collecting Debts owed, thereby enhancing the Collection of Revenues. (815 CMR 9.01(1)). 815 CMR 9.00 authorizes the Office of the Comptroller to procure and manage contingent fee contracts for Debt Collection services and enables the Office of the Comptroller to Intercept payments due to Debtors to offset their outstanding Debts. (815 CMR 9.01(1)). State Department Billing Entities, such as MassHealth Premium Billing, will automatically assign debts systemically to intercept when the debt is 120 days past due. (815 CMR 9.07(1)). The appellant's debt was over 120 days past due as he was sent a notice on March 15, 2024 regarding the debt and did not take action to resolve this until he received notice of the tax intercept. Debts submitted by State Department Billing Entities under 815 CMR 9.07(1)(a) are considered certified when a Debt is entered into the State Accounting System and approved to final status. (815 CMR 9.07(2)).

On that basis, it was appropriate to intercept a portion of his state tax return to cover the debt. The intercept only covered one month of the overdue premium. MassHealth correctly determined that the appellant still owes MassHealth \$239.20 for the remaining two months.

For these reasons, the appeal is denied.

## **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.

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Alexandra Shube  
Hearing Officer  
Board of Hearings

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