

**Office of Medicaid  
BOARD OF HEARINGS**

**Appellant Name and Address:**



<b>Appeal Decision:</b>	Denied	<b>Appeal Number:</b>	2408836
<b>Decision Date:</b>	8/12/2024	<b>Hearing Date:</b>	July 11, 2024
<b>Hearing Officer:</b>	Brook Padgett		

**Appellant Representative:**

Pro se

**MassHealth Representatives:**

Carolyn Meredith, Springfield MEC  
Carmen Fabery, Premium Billing



*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>	130 CMR 501.012 Premium Billing Tax Intercept
<b>Decision Date:</b>	8/12/2024	<b>Hearing Date:</b>	July 11, 2024
<b>MassHealth Reps.:</b>	C. Meredith C. Fabery	<b>Appellant Rep.:</b>	Pro se
<b>Hearing Location:</b>	Springfield MEC (Telephonic)	<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

The appellant received a Notice of Refund Applied to Debt or Transferred dated April 02, 2024 stating MassHealth through the Department of Revenue (DOR) intercepted a total of \$895.40 from the appellant's state tax refund (\$885.40 + \$10.00 processing fee) because MassHealth determined the appellant owed past due premiums for MassHealth coverage. (Exhibit 1).<sup>1</sup> The appellant appealed the notice timely on June 04, 2024. (130 CMR 610.015(B); Exhibit 2). The interception of tax returns is valid grounds for appeal. (130 CMR 610.032).

### Action Taken by MassHealth

MassHealth, through DOR, intercepted a total of \$895.40 from the appellant's state tax refund.

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<sup>1</sup> The recoupment notice states a \$10.00 fee was deducted from the \$895.40 tax intercept to satisfy the outstanding debt; however the notice also states, "a processing fee of up to \$25.00 may be deducted from your refund." It appears in this instance DOR deducted a \$25.00 processing fee from the intercept with the remaining funds attributed to the debt (\$870.40 + \$25.00 = \$895.40).

## Issue

Does the appellant owe past due CommonHealth premiums?

## Summary of Evidence

The MassHealth representative testified that the appellant applied for MassHealth on March 14, 2023 as a household of four with a disabled child. On April 26, 2023 MassHealth approved the appellant's child's CommonHealth, effective May 2023, with a premium of \$870.40 based on a federal poverty level (FPL) 1,061.16% for a household of four. On June 09, 2023 the household income was verified, and the premium was changed to \$1,074.40 effective July, 2023, based on an FPL of 1,210.33%.

The representative from Premium Billing testified that although the appellant's child was approved for MassHealth CommonHealth coverage effective May 2023 with a monthly premium of \$870.40, due to the public emergency and COVID protection the appellant did not receive an invoice for coverage until she was billed in June 2023. The appellant called on August 07, 2023 to voluntarily withdraw coverage; however this was outside of the 90 day timeframe of the April 26, 2023 approval letter so the appellant is responsible for the unpaid premiums of \$870.40 (June 2023).

The appellant submitted a detailed narrative and testified she was approved for MassHealth Premium Assistance on June 09, 2023 when she received her first invoice. The appellant stated she cancelled coverage on August 05, 2023 which is within 60 days of her approval.<sup>2</sup>

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<sup>2</sup> **March 10, 2024:** Child diagnosed with Type 1 diabetes. Baystate Health advised this qualified for MassHealth coverage regardless of income. **March, April and May:** Went back and forth with MassHealth to submit proper documentation. Dozens of calls made with MH to determine eligibility, provide information and ask questions about the coverage. **June 2<sup>nd</sup> letter:** Documentation was not appropriate and cannot be used for coverage. On a document received in early June dated **June 9<sup>th</sup> 2023** received the first actual invoice. Premium advised was **\$870.40**. Immediately called and asked if this was incorrect. This was for supplemental insurance to our employer coverage. We would not pay \$870.40 monthly for supplemental insurance as the medical device costs we were looking for extra coverage for was hundreds a month (far less than \$800+). I was told if I canceled before 60 days from June 9<sup>th</sup> I did not have to pay for the coverage which is also what the letter advised. **August 05, 2023:** I called to cancel coverage and confirmed on that call I did not have to pay any premium. **September 2023:** Received invoice, called the 800 line for MassHealth. Advised my balance was \$0 and to throw away invoice. **October 2023** Received invoice, called the 800 line for MassHealth. Advised my balance was \$0 and to throw away invoice. This call I took detailed notes on. Spoke with **Lou/Lau** at 9:57 AM on **10/12/23**. **Confirmed \$0 balance.** **Nov** Received invoice, called the 800 line for MassHealth. Advised my balance was \$0 and to throw away invoice. Spoke to Ariana: no premium due. **Nov 22, 2023:** Received another letter advising final notice called again Reference call # [REDACTED]. **01/8/2024:** Call at 11:54AM to research issue: 35 minutes, 11 minutes at 4:53PM. **01/11/2024:** Call at 3:31PM to research issue: 59 minutes **01/18/2024:** Call at 3:48PM to ask for a status on my open issue: 43 minutes **02/8/2024:** Call at 9:35AM to ask for a status on open issue: 16 minutes No return call / no update was ever given to me after multiple follow ups above. **April 2024:** Premium was taken from our tax refund. Even though I had multiple open tickets and calls into MassHealth on this issue of premium invoices and letters after being told numerous times I did not owe any balance and I canceled following protocol. **April 17, 2024:** Spoke to Darlene in Premium Billing (8:45AM: call was for 48 minutes). She read me detailed notes confirming what I had been advising that my first invoice was received dated

The appellant testified she did not receive the approval notice and only received premium bills. She argued that \$870.00 was too high a premium and cancelled within 60 days of receiving the premium bill.

Premium Billing responded that CommonHealth benefits were used on March 23, 2023 (\$11.04 + \$115.86) and May 11, 2023 at a pharmacy (\$354.99 + \$354.99 + \$354.99) for a total of \$1,191.97.

## Findings of Fact

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

1. The appellant's applied for MassHealth on March 14, 2023 as a household of four with a disabled child. (Exhibit 4 and Testimony).
2. On April 26, 2023 MassHealth approved the appellant's child's CommonHealth, effective May 2023, with a premium of \$870.40 based on a federal poverty level (FPL) 1,061.16% for a household of four. (Exhibit 4).
3. On April 26, 2023 MassHealth sent a notice to the appellant's confirmed address approving CommonHealth with a premium of \$870.40 effective May 2023. (Exhibit 4).
4. The appellant's child was approved for MassHealth CommonHealth coverage effective May 2023 with a monthly premium of \$870.40, however due to the public emergency and COVID protection the appellant did not receive an invoice for coverage until June 2023. (Testimony).
5. The appellant failed to pay the premium of \$870.40 for the months of June 2023. (Exhibit 4).
6. On August 07, 2023, the appellant voluntarily withdraw coverage. (Exhibit 4 and Testimony).
7. The appellant used MassHealth benefits on March 23, 2023 (\$11.04 + \$115.86) and May 11, 2023 (\$354.99 + \$354.99 + \$354.99) for a total of \$1,191.97. (Exhibit 4).
8. The appellant failure to pay the premium of \$870.40 for the months of June 2023 is more than 150 days past due.

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June 9<sup>th</sup> and I canceled on August 5<sup>th</sup>. She spoke to her manager and said she was processing a refund of \$885.40 that this should never have been taken from my refund. **Reference# [REDACTED] - 04/29/24:** Check has not arrived as promised. Call for an update at 4:35PM: 31 minutes call. Still being worked on/ research again (even though I was advised it was all set). **05/8/24:** Call for check status. Now being advised that research was done and that I was not receiving a refund. Request an appeal. Paperwork to be sent. Never sent/ received. **05/31/24:** Followed up on missing paperwork. Sent via email to me. 30 minute call.

## Analysis and Conclusions of Law

On March 10, 2024 the appellant's child was diagnosed with Type 1 diabetes. On March 14, 2023 the appellant applied for MassHealth coverage. On April 26, 2023, the appellant was notified that her child had been approved for MassHealth CommonHealth with a premium payment of \$870.40 per month beginning May 2023. Due to the public emergency and COVID protection the appellant was not invoiced for coverage until she was billed in June 2023. When the appellant was billed \$870.40 in June 2023 the appellant failed to pay the premium. On August 07, 2023, the appellant contacted MassHealth and voluntarily withdrew coverage.

While the appellant credibly testified she contacted MassHealth on a number of occasions and MassHealth acknowledges a number of conversations to verify the household income there appears to be some confusion as to the when the cancellation of the premium takes effect. The appellant testified that during these conversations she was told she had a \$0.00 balance and 60 days to cancel coverage after receiving a premium bill. The appellant did have a \$0.00 balance due to COVID emergency, however the appellant's MassHealth CommonHealth approval notice dated April 26, 2023 is very clear and states in bold highlighted lettering:

**“Do you have to pay for this benefit?**

➤ **Copays (A copay for drugs is the amount that a member pays the pharmacy out-of-pocket for drugs covered by MassHealth)**

Adults may have to pay a copay for drugs they get at a pharmacy depending on their income and other circumstances outlined in the Member Booklet. If you have to pay copays, we will send you a letter with more information.

➤ **Premium**

Yes. You must pay a monthly premium (fee) to MassHealth. [REDACTED] will get a bill for **\$870.40** each month starting in **May, 2023**. This bill will tell you how to pay.

The monthly premium covers:

▪ **Name:** [REDACTED], **Member ID:** [REDACTED]

**If you are required to pay a MassHealth premium, you must pay the premium on time so these benefits do not end. If 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. If you do not cancel your benefits by that date, you will need to pay any premium bills you get.”**

The regulations at 130 CMR 506.011<sup>3</sup> require a member to contact MassHealth by telephone, in

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<sup>3</sup> 130 CMR 506.011: MassHealth Premiums and the Children's Medical Security Plan (CMSP) Premiums The MassHealth agency may charge a monthly premium to MassHealth Standard, CommonHealth, or Family Assistance members who have income above 150% of the federal poverty level (FPL), as provided in 130 CMR 506.011. The MassHealth agency may charge a monthly premium to members of the Children's Medical Security Plan (CMSP) who have incomes at or above 200% of the FPL. MassHealth and CMSP premiums amounts are calculated based on a member's household modified adjusted gross income (MAGI) and their household size as described in 130 CMR 506.002 and 506.003 and the premium billing family group (PBF) rules as described in 130 CMR 506.011(A)...

**(C) Premium Payment Billing. (5) If the member contacts the MassHealth agency by telephone, in writing, or online**

writing, or online to requests a voluntary withdrawal within 60 calendar days from the date **of the eligibility notice and premium notification to waive the MassHealth premium**, not after receiving the first invoice. The record shows the appellant was sent an eligibility notice and premium notification on April 26, 2023. Although the appellant testified she did not receive the April 26, 2023, notice I do not find the appellant's testimony persuasive as the evidence establishes that the MassHealth approval notice and all subsequent premium bills were sent to the appellant's confirmed address and there was no evidence presented indicating that any other MassHealth notices were not received or returned as undeliverable.

The appellant applied for, received and used CommonHealth coverage from April 2023 through July 2023. There is no evidence the appellant or representatives contacted MassHealth to terminate the appellant's CommonHealth benefits until August 2023, which is not within the required 60 days of the eligibility notice of coverage approval and as a result the appellant is responsible for the premium payment for the month of June 2023.(See 130 CMR 506.011(H)).<sup>4</sup>

Unsuspected debts processed through the State accounting system, such as premium payments due to MassHealth, are automatically assigned to the Office of the Comptroller for intercept when the debt is 150 days past due (815 CMR 9.06(3)) (130 CMR 506.011(D)3)). Debt over 150 days past due is automatically assigned to the Office of the Comptroller and deemed certified by the Department Head as accurate (815 CMR 9.06(3)). The appellant's premium payment is more than 150 days past due, therefore the action taken to intercept was correct. This appeal is DENIED.

## Order for MassHealth

None.

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**and requests a voluntary withdrawal within 60 calendar days from the date of the eligibility notice and premium notification, MassHealth premiums are waived.** (Emphasis added).

<sup>4</sup> 130 CMR 506.011: MassHealth Premiums and the Children's Medical Security Plan (CMSP) Premiums (H) Voluntary Withdrawal. If a member wishes to voluntarily withdraw from receiving MassHealth coverage, it is the member's responsibility to notify the MassHealth agency of his or her intention by telephone, in writing, or online. Coverage may continue through the end of the calendar month of withdrawal. **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).** (Emphasis added).

## 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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Brook Padgett  
Hearing Officer  
Board of Hearings

Cc: Premium Billing, Quincy MEC