

# Office of Medicaid BOARD OF HEARINGS

**Appellant Name and Address:**



<b>Appeal Decision:</b>	Approved	<b>Appeal Number:</b>	2409399
<b>Decision Date:</b>	9/3/2024	<b>Hearing Date:</b>	07/19/2024
<b>Hearing Officer:</b>	Emily Sabo		

**Appearance for Appellant:**  
Pro se

**Appearances for MassHealth:**  
Ricardo Nunez Soto & Iria Saracevic,  
Charlestown MEC  
Carmen Fabery, Maximus 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>	Approved	<b>Issue:</b>	Premium Billing
<b>Decision Date:</b>	9/3/2024	<b>Hearing Date:</b>	07/19/2024
<b>MassHealth's Reps.:</b>	Ricardo Nunez Soto; Iria Saracevic; Carmen Fabery	<b>Appellant's Rep.:</b>	Pro se
<b>Hearing Location:</b>	Charlestown MassHealth Enrollment Center (Telephone)	<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 May 31, 2024, MassHealth notified the Appellant that he had a \$104/monthly premium associated with his MassHealth CommonHealth coverage. 130 CMR 506.011 and Exhibit 1. The Appellant filed this appeal in a timely manner on June 13, 2024, on the basis that he had gotten a notice dated April 23, 2024, that his monthly premium was changing from \$56 to \$0. 130 CMR 610.015(B) and Exhibit 2. Denial of assistance is valid grounds for appeal. 130 CMR 610.032.

### Action Taken by MassHealth

MassHealth approved the Appellant for MassHealth CommonHealth, with a \$104 monthly premium for the month of June 2024.<sup>1</sup>

### Issue

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<sup>1</sup> On June 26, 2024, MassHealth sent the Appellant a notice that his July 2024 premium would be \$96/month. Exhibit 5.

The appeal issue is whether MassHealth was correct, pursuant to 130 CMR 506.011, in determining that the Appellant owes a \$104/month CommonHealth premium.

## Summary of Evidence

The hearing was held telephonically. MassHealth was represented by two eligibility specialists and one premium billing specialist. MassHealth testified that the Appellant is an adult over the age of 65 who has a verified disability. The MassHealth eligibility specialist testified that the Appellant is working and is eligible for MassHealth CommonHealth for seniors. The MassHealth eligibility specialist testified that the Appellant's renewal was processed on April 23, 2024, and the MassHealth worker processing it made a mistake and did not include the Appellant's income, which generated the notice of the \$0 premium. The MassHealth eligibility specialist testified that another MassHealth worker entered the Appellant's income as \$3,529/month, which generated a CommonHealth premium of \$104. Then a MassHealth eligibility manager reviewed the Appellant's income, and determined that it was \$3,392/month, which generated a premium of \$96/month. The premium billing specialist testified that the Appellant paid the \$104 premium for June 2024.

The Appellant verified his identity. The Appellant testified that he found the multiple notices and changes to his premium to be unprofessional.

## Findings of Fact

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

1. The Appellant is an adult over the age of 65, who is disabled and eligible for MassHealth CommonHealth as a disabled working adult. Testimony; Exhibits 1 & 4.
2. The Appellant was charged a \$104 premium for June 2024, which he paid. Testimony; Exhibits 1 & 6.
3. A MassHealth manager determined that the Appellant's monthly income is \$3,392. Testimony.

## Analysis and Conclusions of Law

MassHealth regulations provide:

519.012: MassHealth CommonHealth

(A) Working Disabled Adults.

(1) Eligibility Requirements. MassHealth CommonHealth for working disabled adults is available to community residents 65 years of age and older in the same manner as it is available to those younger than 65 years old. This means that eligible applicants must meet the requirements of 130 CMR 505.004(B)(2), (3), and (5) to be eligible for CommonHealth.

(2) Other Provisions. The following provisions apply to CommonHealth applicants and members 65 years of age and older: 130 CMR 505.004(A)(2), (H) through (J), (M)(1) and (2), and (N).

...

(C) Financial Eligibility. Financial eligibility for all MassHealth CommonHealth applicants and members is based on the regulations in 130 CMR 506.000: *Health Care Reform: MassHealth: Financial Requirements*. 130 CMR 520.000: *MassHealth: Financial Eligibility* does not apply.

130 CMR 519.012.

506.002: Household Composition

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(C) MassHealth Disabled Adult Household. The household consists of

- (1) the individual;
- (2) the individual's spouse if living with them;
- (3) the individual's natural, adopted, and stepchildren younger than 19 years old if living with them; and
- (4) if any individual described in 130 CMR 506.002(C)(1), (2), or (3) is pregnant, the number of expected children.

130 CMR 506.002(C).

506.007: Calculation of Financial Eligibility

The rules at 130 CMR 506.003 and 506.004 describing countable income and noncountable income apply to both MassHealth MAGI households and MassHealth Disabled Adult households.

(A) Financial eligibility for coverage types that are determined using the MassHealth MAGI household rules and the MassHealth Disabled Adult household rules is determined by comparing the sum of all countable income less deductions for the individual's household as described at 130 CMR 506.002 with the applicable income standard for the specific coverage type.

- (1) The MassHealth agency will construct a household as described in 130 CMR 506.002 for each individual who is applying for or renewing coverage. Different households may exist within a single family, depending on the family members' familial and tax relationships to each other.
- (2) Once the individual's household is established, financial eligibility is determined by using the total of all countable monthly income for each person in that individual's

MassHealth MAGI or Disabled Adult household. Income of all the household members forms the basis for establishing an individual's eligibility.

(a) A household's countable income is the sum of the MAGI-based income of every individual included in the individual's household with the exception of children and tax dependents who are not expected to be required to file a return as described in 42 CFR 435.603 and 130 CMR 506.004(M).

(b) Countable income includes earned income described in 130 CMR 506.003(A) and unearned income described in 130 CMR 506.003(B) less deductions described in 130 CMR 506.003(D).

(c) In determining monthly income, the MassHealth agency multiplies average weekly income by 4.333.

(3) Five 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.

(B) The financial eligibility standards for each coverage type may be found in 130 CMR 505.000: *Health Care Reform: MassHealth: Coverage Types*.

(C) The monthly federal-poverty-level income standards are determined according to annual standards published in the Federal Register using the following formula. The MassHealth agency adjusts these standards annually.

(1) Multiply the annual 100% figure posted in the Federal Register by the applicable federal poverty level income standard.

(2) Round these annual figures up to the nearest hundredth.

(3) Divide by 12 to arrive at the monthly income standards.

130 CMR 506.007(A), (B), and (C).

#### 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 130 CMR 506.003 and the premium billing family group (PBF) rules as described in 130 CMR 506.011(A). Certain members are exempt from paying premiums, in accordance with 130 CMR 506.011(J).

#### (A) Premium Billing Family Groups.

(1) Premium formula calculations for MassHealth and CMSP premiums are based on premium billing family groups (PBF). A PBF is comprised of

(a) an individual;

- (b) a couple who are two persons married to each other according to the rules of the Commonwealth of Massachusetts and are living together; or
- (c) a family who live together and consist of
  - 1. a child or children younger than 19 years old, any of their children, and their parents;
  - 2. siblings younger than 19 years old and any of their children who live together, even if no adult parent or caretaker is living in the home; or
  - 3. a child or children younger than 19 years old, any of their children, and their caretaker relative when no parent is living in the home.
- (2) A child who is absent from the home to attend school is considered as living in the home.
- (3) A parent may be natural, adoptive, or a stepparent. Two parents are members of the same PBFG as long as they are mutually responsible for one or more children who live with them.
- (4) In a family with more than one child, any child with a MAGI household income that does not exceed 300% FPL will have its premium liability determined based on the MAGI household income of the child in the family PBFG with the lowest percentage of the FPL. If a child in the PBFG has an income percentage of the FPL at or below 150% of the FPL, premiums for all children in the PBFG are waived.
- (5) MassHealth and CMSP premiums for children with a MassHealth MAGI household income greater than 300% of the FPL and all premiums for young adults and adults are calculated using the individual's FPL and the corresponding premium amount as described in 130 CMR 506.011.
- (6) For individuals within a PBFG that is approved for more than one premium billing coverage type, except where application of 130 CMR 506.011(A)(4) will result in a lower premium for children in the PBFG, the following apply.
  - (a) When the PBFG contains members in more than one coverage type or program, including CMSP, and who are responsible for a premium or required member contribution, the PBFG is responsible for only the higher premium or required member contribution.
  - (b) When the PBFG includes a parent or caretaker relative who is paying a premium for and is receiving Qualified Health Plan (QHP) with Premium Tax Credits, the premiums for children in the PBFG are waived once the parent or caretaker relative enrolls in and pays for a QHP.

(B) MassHealth and Children's Medical Security Plan (CMSP) Premium Formulas

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- (2) The premium formulas for MassHealth CommonHealth members whose eligibility is described in 130 CMR 505.004(B): *Disabled Working Adults* through (G): *Disabled Children Younger than 18 Years Old* are as follows.

....

- (b) The full premium formula for young adults with household income above 150% of the FPL, adults with household income above 150% of the FPL, and children with

household income above 300% of the FPL is provided as follows. The full premium is charged to members who have no health insurance and to members for whom the MassHealth agency is paying a portion of their health insurance premium.

<b>CommonHealth Full Premium Formula Young Adults and Adults above 150% of the FPL and Children above 300% of the FPL</b>		
<b>Base Premium</b>	<b>Additional Premium Cost</b>	<b>Range of Monthly Premium Cost</b>
Above 150% FPL—start at \$15	Add \$5 for each additional 10% FPL until 200% FPL	\$15 — \$35
Above 200% FPL—start at \$40	Add \$8 for each additional 10% FPL until 400% FPL	\$40 — \$192
Above 400% FPL—start at \$202	Add \$10 for each additional 10% FPL until 600% FPL	\$202 — \$392
Above 600% FPL—start at \$404	Add \$12 for each additional 10% FPL until 800% FPL	\$404 — \$632
Above 800% FPL—start at \$646	Add \$14 for each additional 10% FPL until 1000%	\$646 — \$912
Above 1000% FPL—start at \$928	Add \$16 for each additional 10% FPL	\$928 + greater

130 CMR 506.011(A), (B)(2)(b).

Here, I find that the Appellant is a disabled working adult as MassHealth has found him eligible for CommonHealth. Exhibit 1; 130 CMR 519.012(A). The Appellant's monthly income is \$3,392. Five percentage points of the current federal poverty level for a household size of one is \$62.75 ( $\$1,255 \times 5\% = \$62.75$ ). 130 CMR 506.007(A)(3). Therefore, the household monthly income is \$3,329.25 ( $\$3,392 - \$62.75 = \$3,329.25$ ). 130 CMR 506.007(A). This is 265.27% of the federal poverty level, based on the 2024 *Federal Register*, which states that 100% of the federal poverty level is \$1,255 for a household of one ( $\$3,329.25 / 1255 = 265.27\%$ ). 130 CMR 506.007. Accordingly, based on the MassHealth CommonHealth premium formula, the Appellant's monthly premium should be \$88 ( $\$40 + (\$8 \times 6) = \$88$ ). 130 CMR 506.011(B)(2)(b).

Thus, the Appellant's appeal is approved, such that he should be charged a \$88/month CommonHealth premium. The Appellant should be credited for his June 2024 overpayment and any other subsequent overpayments.

## Order for MassHealth

Correct the Appellant's CommonHealth premium to \$88/month beginning in June 2024. Credit the Appellant for any premium overpayments.

## 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, at the address on the first page of this decision.

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Emily Sabo, Esq.  
Hearing Officer  
Board of Hearings

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

Maximus Premium Billing: Attn: Carmen Fabery