

# Office of Medicaid BOARD OF HEARINGS

**Appellant Name and Address:**



<b>Appeal Decision:</b>	Approved	<b>Appeal Number:</b>	2409821
<b>Decision Date:</b>	9/4/2024	<b>Hearing Date:</b>	7/31/2024
<b>Hearing Officer:</b>	Cynthia Kopka		

**Appearance for Appellant:**  
Pro se

**Appearance for MassHealth:**  
Sarah Sardella, Quincy



*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>	Under 65, eligibility, income
<b>Decision Date:</b>	9/4/2024	<b>Hearing Date:</b>	7/31/2024
<b>MassHealth's Rep.:</b>	Sarah Sardella	<b>Appellant's Rep.:</b>	Pro se
<b>Hearing Location:</b>	Quincy (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

By notice dated May 30, 2023, MassHealth downgraded Appellant's eligibility from MassHealth Standard to Health Safety Net, terminating MassHealth Standard after June 30, 2023. Exhibit 1. Appellant filed this appeal in a timely manner on June 24, 2024 and elected to accept the change in coverage during the appeal process. Exhibit 2. 130 CMR 610.015(B). Termination or modification of assistance is a valid basis for appeal. 130 CMR 610.032.

### Action Taken by MassHealth

MassHealth downgraded Appellant's eligibility from MassHealth Standard to Health Safety Net, terminating MassHealth Standard after June 30, 2023.

### Issue

The appeal issue is whether MassHealth was correct in terminating Appellant's MassHealth Standard benefit.

### Summary of Evidence

The MassHealth representative appeared by phone and testified as follows. Appellant is under the age of 65 and in a household of two with her minor child. Appellant had received MassHealth Standard through transitional medical assistance (TMA), but this expired on March 31, 2024. On May 30, 2024, MassHealth's system ran a batch expiration redetermination and issued notices to individuals on expired benefits. MassHealth notified Appellant that her MassHealth Standard would end on June 30, 2024 and that she was eligible for partial Health Safety Net effective May 20, 2024. Exhibit 1. Appellant was also eligible for a Health Connector plan. At the time of the termination of MassHealth Standard, Appellant's income was listed in the system as \$2,860.44 monthly, projected to be \$34,225.28 yearly. This was 162.93% of the federal poverty level (FPL) for a household of two.

The MassHealth representative outreached to Appellant prior to hearing and learned that Appellant's income was lower than reported and that Appellant had student loan interest to deduct. Appellant provided paystubs dated June 17, 2024 through July 14, 2024 showing that her income was on average \$1,251.96 biweekly. With deductions, Appellant's income was projected to be \$15,023.54 yearly. Exhibit 4. MassHealth determined that the new FPL calculation was 68.50%. On July 31, 2024, MassHealth notified Appellant that she and her minor child were approved for MassHealth Standard effective July 21, 2024. *Id.* MassHealth sent a child disability supplement form to Appellant, as she had reported that her child has a disability. Appellant would not need to submit a renewal until February 2025.

Appellant testified that she signed up for a Health Connector plan to bridge her gap in coverage, but would like MassHealth retroactive benefits to help cover a surgery she had during the gap. Appellant had indicated that she did not want benefits to continue during the appeal process but reconsidered this after submitting the request for hearing. Exhibit 2.

## Findings of Fact

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

1. Appellant is under the age of 65 and in a household of two with her minor child.
2. Appellant verified with paystubs dated June 17, 2024 through July 14, 2024 that her weekly gross income is \$1,251.96 biweekly and projected to be \$15,023.54 yearly. Exhibit 4.
3. In 2024, the FPL for a household of two was \$1,704 monthly and \$20,448 yearly.
4. By notice dated May 30, 2023, MassHealth downgraded Appellant's eligibility from MassHealth Standard to Health Safety Net, terminating MassHealth Standard after June

30, 2023. Exhibit 1.

5. Appellant filed this appeal in a timely manner on June 24, 2024. Exhibit 2.
6. On July 31, 2024, MassHealth notified Appellant that she and her minor child were approved for MassHealth Standard effective July 21, 2024. Exhibit 4.

## Analysis and Conclusions of Law

MassHealth regulations at 130 CMR 505.000 *et seq.* explain the categorical requirements and financial standards that must be met to qualify for a MassHealth coverage type. The rules of financial responsibility and calculation of financial eligibility are detailed in 130 CMR 506.000: *Health Care Reform: MassHealth: Financial Requirements*. The MassHealth coverage types are:

- (1) MassHealth Standard – for people who are pregnant, children, parents and caretaker relatives, young adults, disabled individuals, certain persons who are HIV positive, individuals with breast or cervical cancer, independent foster care adolescents, Department of Mental Health (DMH) members, and medically frail as such term is defined in 130 CMR 505.008(F);
- (2) MassHealth CommonHealth – for disabled adults, disabled young adults, and disabled children who are not eligible for MassHealth Standard;
- (3) MassHealth CarePlus – for adults 21 through 64 years of age who are not eligible for MassHealth Standard;
- (4) MassHealth Family Assistance – for children, young adults, certain noncitizens, and persons who are HIV positive who are not eligible for MassHealth Standard, MassHealth CommonHealth, or MassHealth CarePlus;
- (5) MassHealth Limited – for certain lawfully present immigrants as described in 130 CMR 504.003(A): *Lawfully Present Immigrants*, nonqualified PRUCOLs, and other noncitizens as described in 130 CMR 504.003: *Immigrants*; and
- (6) MassHealth Medicare Savings Programs – for certain Medicare beneficiaries.

130 CMR 505.001(A).

In order to establish eligibility for MassHealth benefits, applicants must meet both the categorical and financial requirements. MassHealth determines financial eligibility based on an applicant's modified adjusted gross income. MassHealth takes the countable income, which includes earned income as described in 130 CMR 506.003(A) and unearned income described in 130 CMR 506.003(B) and subtracts deductions described in 130 CMR 506.003(D). 130 CMR 506.007. Per 130 CMR 506.003, the regulatory definitions of earned income, unearned income and deductions are as follows:

(A) Earned Income.

(1) Earned income is the total amount of taxable compensation received for work or services performed less pretax deductions. Earned income may include wages, salaries, tips, commissions, and bonuses.

(2) Earned taxable income for the self-employed is the total amount of taxable annual income from self-employment after deducting annual business expenses listed or allowable on a U.S. Individual Tax Return. Self-employment income may be a profit or a loss.

(3) Earned income from S-Corporations or Partnerships is the total amount of taxable annual profit (or loss) after deducting business expenses listed or allowable on a U.S. Individual Tax Return.

(4) Seasonal income or other reasonably predictable future income is taxable income derived from an income source that may fluctuate during the year. Annual gross taxable income is divided by 12 to obtain a monthly taxable gross income with the following exception: if the applicant or member has a disabling illness or accident during or after the seasonal employment or other reasonably predictable future income period that prevents the person's continued or future employment, only current taxable income will be considered in the eligibility determination.

(B) Unearned Income.

(1) Unearned income is the total amount of taxable income that does not directly result from the individual's own labor after allowable deductions on the U.S. Individual Tax Return.

(2) Unearned income may include, but is not limited to, social security benefits, railroad retirement benefits, pensions, annuities, certain trusts, interest and dividend income, state or local tax refund for a tax you deducted in the previous year, and gross gambling income.

(C) Rental Income. Rental income is the total amount of taxable income less any deductions listed or allowable on an applicant's or member's U.S. Individual Tax Return.

(D) Deductions. Under federal law, the following deductions are allowed when calculating MAGI countable income. Changes to federal law may impact the availability of these deductions:

- (1) educator expenses;
- (2) reservist/performance artist/fee-based government official expenses;
- (3) health savings account;
- (4) moving expenses, for the amount and populations allowed under federal law;
- (5) one-half self-employment tax;

- (6) self-employment retirement account;
- (7) penalty on early withdrawal of savings;
- (8) alimony paid to a former spouse for individuals with alimony agreements finalized on or before December 31, 2018. Alimony payments under separation or divorce agreements finalized after December 31, 2018, or pre-existing agreements modified after December 31, 2018, are not deductible;
- (9) individual retirement account (IRA);
- (10) student loan interest;
- (11) scholarships, awards, or fellowships used solely for educational purposes; and
- (12) other deductions described in the Tax Cut and Jobs Act of 2017, Public Law 115-97 for as long as those deductions are in effect under federal law.

An adult under the age of 64 is eligible for MassHealth Standard as a parent if their income at or below 133% of the FPL. 130 CMR 505.002(C)(1)(a). Children between the ages of one and eighteen are eligible if their household income is at or below 150% of the FPL. 130 CMR 505.002(B)(2).

Here, MassHealth terminated Appellant's coverage on June 30, 2024. Appellant verified to MassHealth's satisfaction with paystubs dated June 17, 2024 through July 14, 2024 that her income with deductions was 68.5% of the FPL. MassHealth approved MassHealth Standard effective July 21, 2024, ten days prior to the receipt of the verifications.

Appellant filed her appeal on June 24, 2024 and was eligible to have the benefit continue pending the appeal, but opted out on the fair hearing request form. *See* 130 CMR 610.036(A). However, at hearing Appellant sought retroactive coverage, having incurred extraordinary medical expenses during the gap in coverage. Appellant had been entitled to the aid pending benefits and established that she met eligibility criteria as of June 17, 2024. Pursuant to 130 CMR 610.036 and 610.071(A)(2), this appeal is approved for retroactive coverage of MassHealth Standard from the date of termination, June 30, 2024.

## **Order for MassHealth**

Adjust Appellant's and her child's start date for MassHealth Standard to June 30, 2024.

## **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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Cynthia Kopka  
Hearing Officer  
Board of Hearings

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