

**Office of Medicaid
BOARD OF HEARINGS**

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2410061
Decision Date:	9/17/2024	Hearing Date:	08/08/2024
Hearing Officer:	Scott Bernard		

Appearance for Appellant:
Pro se via telephone

Appearance for MassHealth:
Asia Brown (Quincy MEC) *via telephone*



*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/Income/ Extended Eligibility
Decision Date:	9/17/2024	Hearing Date:	08/08/2024
MassHealth's Rep.:	Asia Brown	Appellant's Rep.:	<i>Pro se</i>
Hearing Location:	Quincy Harbor South	Aid Pending:	Yes

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 June 7, 2024, MassHealth informed the appellant that starting on May 28, 2024 she was eligible for Health Safety Net (HSN) but would not qualify for MassHealth Standard after July 31, 2024 because her extended eligibility had ended. (See 130 CMR 505.002(L)(5); and Exhibit (Ex.) 1). The appellant filed this appeal in a timely manner on June 26, 2024. (See 130 CMR 610.015(B) and Ex. 2). Denial of assistance is valid grounds for appeal. (See 130 CMR 610.032).

Action Taken by MassHealth

MassHealth determined that the appellant was not eligible for a MassHealth benefit because her extended eligibility was ending.

Issue

The appeal issue is whether MassHealth was correct, pursuant to 130 CMR 505.002, and 506.007 in determining that the appellant was not eligible for MassHealth because her extended eligibility was ending, and her income exceeded the income limit to qualify for MassHealth coverage.

Summary of Evidence

An eligibility worker from the MassHealth Enrollment Center (MEC) in Quincy represented MassHealth and the appellant represented herself. Both parties attended the hearing telephonically.

The MassHealth representative provided the following testimony. The appellant is under 65 years old and resides in a household of four, which includes herself and her three children, all under 19 years old. (Testimony; Ex. 3). Her most recent reported gross monthly income (GMI) is \$3,849.68, which is 143.06% of the federal poverty level (FPL). (Testimony; Ex. 1). For a household of four, eligibility for MassHealth Standard requires the GMI to be no more than \$3,455 per month, equating to 133% of the FPL. (Testimony).

In February 2023, MassHealth conducted an auto-renewal of the appellant's and her household's eligibility. (Testimony; Ex. 6; Ex. 7). As a result, MassHealth was not able to identify that the appellant's income exceeded the eligibility limit for MassHealth Standard starting in March 2023. (Testimony; Ex. 8). It was only through an electronic data match in March 2024 that MassHealth discovered the appellant's income had exceeded the limit as of March 9, 2023. (Testimony; Ex. 8). Consequently, on March 8, 2024, MassHealth issued a notice informing the appellant that her household's coverage would end on March 31, 2024, due to the income exceeding the eligibility threshold. (Testimony; Ex. 8). The notice also indicated that her family could continue to receive MassHealth Standard through Transitional Medical Assistance (TMA) for up to 12 months, starting from the date of the reported income change. (Testimony; Ex. 8).

Because MassHealth did not detect the income change until early March 2024, they extended the appellant's coverage end date to July 31, 2024. (Testimony; Ex. 3). Prior to the hearing, the MassHealth representative contacted the appellant and confirmed that her income had not changed and that she was not experiencing other conditions, such as disability or pregnancy, that might affect her eligibility. (Testimony).

The appellant testified to the following. The appellant did not contest the MassHealth representative's statement regarding her income. (Testimony). The appellant's income comes from caregiving services she provides for her mother. (Testimony). She has been receiving some form of MassHealth since she was around ■ or ■ years old. (Testimony). Currently, the appellant is experiencing significant hardship. (Testimony). She expressed confusion about her ineligibility for MassHealth, noting that her income has decreased since the COVID-19 pandemic, despite which she now no longer qualifies for the program. (Testimony). Additionally, her home is in foreclosure, making it extremely difficult for her to afford insurance when she is already struggling to pay her mortgage. (Testimony).

Findings of Fact

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

1. The appellant is under 65 years old and lives in a household of four, which includes herself and her three children who are all under the age of 19 years old. (Testimony; Ex. 3).
2. The appellant's most recent reported GMI is \$3,849.68 per month, which is 143.06% of the FPL. (Testimony; Ex. 1).
3. In order for an individual living in a household of four to be eligible for MassHealth Standard, the GMI cannot exceed \$3,455 per month, which is 133% of the FPL for a four person household. (Testimony).
4. In February 2023, MassHealth performed an auto-renewal of the appellant and her household's eligibility. (Testimony; Ex. 6; Ex. 7).
5. For that reason, MassHealth did not pick up on the fact that the appellant's income began exceeding the income limit for MassHealth Standard in March 2023. (Testimony; Ex. 8).
6. Through an electronic data match in March 2024, MassHealth learned that the appellant's income began exceeding the income limit as of March 9, 2023. (Testimony).
7. On March 8, 2024, MassHealth sent the appellant a letter notifying her that her household's coverage was slated to end by March 31, 2024 because her household income exceeded the income limit for MassHealth Standard. (Testimony; Ex. 8).
8. The notice also stated that her family could continue receiving MassHealth Standard through TMA for a 12 month period "starting on the date you told us your income...changed." (Ex. 8; Testimony).
9. Because MassHealth did not discover the change of income until the beginning of March 2024, MassHealth then extended the end date for the appellant's coverage to July 31, 2024. (Testimony; Ex. 3).
10. Through a notice dated June 7, 2024, MassHealth informed the appellant that starting on May 28, 2024 she was eligible for HSN but would not qualify for MassHealth Standard after July 31, 2024 because her extended eligibility had ended. (Ex. 1).
11. Prior to the hearing, the MassHealth representative contacted the appellant and confirmed that her income had not changed and that she was not experiencing other conditions, such as disability or pregnancy, that might affect her eligibility. (Testimony).

Analysis and Conclusions of Law

Financial eligibility for coverage types that are determined using the MassHealth MAGI household rules is determined by comparing the sum of all countable income less deductions for the individual's household with the applicable income standard for the specific coverage type. (130 CMR 506.007(A)). MassHealth will construct a household 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. (130 CMR 506.007(A)(1)).

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 household. Income of all the household members forms the basis for establishing an individual's eligibility. (130 CMR 506.007(A)(2)).

A household's countable income is the sum of the gross 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. (130 CMR 506.007(A)(2)(a)). Countable income includes earned income (described below) and unearned income (not applicable in this appeal) less deductions. (130 CMR 506.007(A)(2)(b)). Earned income is the total amount of taxable compensation received for work or services performed less pretax deductions. (130 CMR 506.003(A)(1)). Earned income may include wages, salaries, tips, commissions, and bonuses. (Id.).

In determining monthly income, the MassHealth agency multiplies average weekly income by 4.333. ((130 CMR 506.007(A)(2)(c)). Once MassHealth determines a household's countable income, it then determines what percentage of the federal poverty level that income is and subtracts five percentage points from that number. (130 CMR 506.007(A)(3)). This adjusted income is then compared to the federal poverty level to determine the individual's eligibility. (Id.).

Parents and caretaker relatives of children under 19 years old can qualify for MassHealth Standard coverage if they meet specific requirements. (130 CMR 505.002(C)(1)). First the household income must not exceed 133% of the federal poverty level. (130 CMR 505.002(C)(1)(a)). Additionally, they must be either a U.S. citizen or a qualified noncitizen. (130 CMR 505.002(C)(1)(b)). If they are a parent, they need to live with their children and assume primary responsibility for their care, even in cases of separation, divorce, or custody arrangements. (130 CMR 505.002(C)(1)(c)(1)). Finally, they must use potential health insurance benefits in accordance with 130 CMR 503.007, and must enroll in health insurance, including Medicare, if available at no greater cost to the applicant or member than they would pay without access to health insurance, or if purchased by MassHealth in accordance with 130 CMR 505.002(O) or 130 CMR 506.012. (130 CMR 505.002(C)).

The appellant meets the categorical criteria for MassHealth Standard for parents of children under age 19. The income limit for MassHealth Standard is \$3,458 per month, which is equal to 133% of the federal poverty level for a household of four. The gross monthly household income for the appellant's household is \$3,849.68, which is 148.06% of the federal poverty level for a household

of four. After deducting five percentage points from this raw figure, the appellant's countable income is equal to 143.06% of the FPL. Unfortunately, since this countable income still exceeds 133% of the FPL, the appellant does not qualify financially for MassHealth Standard at this time.

Members of a MassHealth MAGI household who receive MassHealth Standard and have earnings that raise the MassHealth MAGI household's modified adjusted gross income above 133% of the federal poverty level (FPL) continue to receive MassHealth Standard for a full 12-calendar-month period that begins with the date on which the members MAGI exceeds 133% of the federal poverty level (FPL) if

- the MassHealth household continues to include a child younger than 19 years old living with the parent or caretaker;
- a parent or caretaker relative continues to be employed;
- the parent or caretaker relative complies with 130 CMR 505.002(M); and
- the member is a citizen or a qualified noncitizen. (130 CMR 505.002(L)(3)).

The record shows that the appellant's earnings increased her modified adjusted gross income above 133% of the Federal Poverty Level around March 9, 2023. As a result, she was eligible for MassHealth Standard coverage for 12 months starting from that date. Ideally, MassHealth should have notified the appellant of her extended coverage eligibility at that time. However, MassHealth did not become aware of the income increase until March 2024, and thus did not inform the appellant of her eligibility for extended coverage from March 9, 2023, until the March 2024 letter was issued.

While it is reasonable to expect that one purpose of the regulation is to provide advance notice of benefit cessation, the regulation explicitly states that the extended eligibility began when the appellant's income first exceeded the 133% threshold in March 2023, not when MassHealth became aware of the income increase in March 2024. Therefore, MassHealth correctly determined that the appellant was no longer eligible for MassHealth Standard.

MassHealth did not immediately terminate the appellant's coverage; instead, it issued the notice under appeal, informing the appellant that her benefits would end in July 2024. In the interim, MassHealth confirmed that the appellant's income had remained above 133% of the Federal Poverty Level since March 2023 and that she was not otherwise eligible for MassHealth Standard.

For the above stated reasons, the appeal is DENIED.

Appellant can direct any questions about Health Connector plans to 1-877-MA-ENROLL (1-877-623-6765), or inquiries concerning Health Safety Net to 877-910-2100.

Order for MassHealth

Remove aid pending and proceed with the action set forth in the notice dated June 7, 2024.

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.

Scott Bernard
Hearing Officer
Board of Hearings

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