

# Office of Medicaid BOARD OF HEARINGS

**Appellant Name and Address:**



<b>Appeal Decision:</b>	DENIED	<b>Appeal Number:</b>	2410886
<b>Decision Date:</b>	08/23/2024	<b>Hearing Date:</b>	08/15/2024
<b>Hearing Officer:</b>	Sharon Dehmand		

**Appearance for Appellant:**  
Pro se

**Appearance for MassHealth:**  
Michelle Carvalho, Taunton MEC



*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>	Community Eligibility – under 65
<b>Decision Date:</b>	08/23/2024	<b>Hearing Date:</b>	08/15/2024
<b>MassHealth's Rep.:</b>	Michelle Carvalho	<b>Appellant's Rep.:</b>	Pro se
<b>Hearing Location:</b>	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 July 8, 2024, MassHealth denied the appellant's application for MassHealth benefits because MassHealth determined that the appellant's income exceeded the allowed threshold for MassHealth. However, the appellant was approved for Health Safety Net for a limited time as well as a ConnectorCare plan through the Massachusetts Health Connector. See 130 CMR 505.008; 130 CMR 506.002; 130 CMR 506.003; 130 CMR 506.007; and Exhibit 1. The appellant filed this appeal in a timely manner on July 11, 2024. See 130 CMR 610.015(B) and Exhibit 2. Denial of an application or request for assistance is valid grounds for appeal before the Board of Hearings. See 130 CMR 610.032(A)(1).

### Action Taken by MassHealth

MassHealth denied the appellant's application for MassHealth benefits because her income exceeded the allowed threshold.

### Issue

Whether MassHealth correctly determined that the appellant is not eligible for MassHealth benefits pursuant to 130 CMR 505.008; 130 CMR 506.002; 130 CMR 506.003; and 130 CMR

## Summary of Evidence

All parties participated telephonically. MassHealth was represented by a worker from the Taunton MassHealth Enrollment Center. The appellant appeared pro se and verified her identity. The following is a summary of the testimonies and evidence provided at the hearing:

The MassHealth representative testified that the appellant is an adult under the age of 65 who resides in a household of one. The appellant was on MassHealth Standard from December 29, 2017 to February 22, 2024 due to the COVID-19 pandemic protection. On March 22, 2024, MassHealth received an income verification from the appellant's employer, verifying her income of \$1,244.91 per week. On June 27, 2024, the appellant reported that she was unemployed and receiving unemployment income. MassHealth received unemployment income verification for the appellant, showing an amount of \$502.00 per week which equals \$2,206.16 per month. The MassHealth representative testified that after a 5% MAGI deduction, this figure equates to 168.32% of the federal poverty level (FPL) for a household of one, which exceeds the limit for MassHealth benefits. The income limit to be eligible for MassHealth benefits is 133% of the FPL, or \$1,670.00 per month for a household of one. Through a notice on July 8, 2024, MassHealth denied the appellant's application for MassHealth benefits because MassHealth determined that the appellant's income exceeded the allowed threshold for MassHealth. The appellant was approved for Health Safety Net for a limited time and was also eligible for a ConnectorCare plan through the Massachusetts Health Connector.

The appellant confirmed her household size and verified her monthly unemployment income of \$2,206.16. She denied being disabled. She stated that she pays \$1,650.00 per month for rent alone and that life is too expensive. She said that she is unable to pay for health insurance.

## Findings of Fact

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

1. The appellant is under the age of 65 and resides in a household of one. (Testimony).
2. The appellant was on MassHealth Standard from December 29, 2017 to February 22, 2024 due to the COVID-19 pandemic protection. (Testimony and Exhibit 4).
3. On March 22, 2024, MassHealth received an income verification from the appellant's employer, verifying her income of \$1,244.91 per week. (Testimony).
4. On June 27, 2024, the appellant reported that she was unemployed and receives unemployment income which MassHealth verified to be in the amount of \$502.00 per week

which equals \$2,206.16 per month. (Testimony).

5. On July 8, 2024, MassHealth denied the appellant's application for MassHealth benefits because MassHealth determined that the appellant's income exceeded the allowed threshold for MassHealth. (Testimony and Exhibit 1).
6. The appellant filed this appeal in a timely manner on July 11, 2024. (Exhibit 2).
7. At the hearing, the appellant verified her monthly income of \$2,206.16 from unemployment. (Testimony).
8. According to the Federal Poverty Guidelines, 133% of the FPL is \$1,670.00 a month for a household of one. (Testimony and Federal Poverty Guidelines).
9. The appellant has not been determined disabled.<sup>1</sup> (Testimony).
10. The appellant was approved for Health Safety Net coverage for a limited time and was also eligible to obtain health insurance through the Massachusetts Health Connector. (Testimony and Exhibit 1).

## Analysis and Conclusions of Law

Generally, MassHealth regulations at 130 CMR 505.000 explains the categorical requirements **and** financial standards that must be met to qualify for a particular MassHealth coverage type. To establish eligibility for MassHealth benefits, applicants must meet both the categorical requirements **and** financial standards.

These coverage types set forth at 130 CMR 505.001(A) are as follows:

- (1) MassHealth Standard - for people who are pregnant, children, parents and caretaker relatives, young adults<sup>2</sup>, disabled individuals, certain persons who are HIV positive, individuals with breast or cervical cancer, independent foster care adolescents, Department of Mental Health 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

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<sup>1</sup> Disability is defined by 103 CMR 501.001 and by 42 U.S.C.A. § 1382c(a)(1), et seq.

<sup>2</sup> “[Y]oung adults” are defined as those aged 19 and 20. See 130 CMR 501.001.

persons who are HIV positive who are not eligible for MassHealth Standard, CommonHealth, or CarePlus;

(5) MassHealth Limited - for certain lawfully present immigrants as described in 130 CMR 504.003(A), nonqualified PRUCOLs, and other noncitizens as described in 130 CMR 504.003: *Immigrants*; and

(6) MassHealth Medicare Savings Programs (MSP, also called Senior Buy-In and Buy-In) for certain Medicare beneficiaries.

In this case, the appellant is between the ages of 21 and 65. She testified that she is neither disabled nor has any of the listed health conditions. *Id.* As such, the appellant does not belong to a category to qualify for MassHealth Standard, or CommonHealth, but she meets the categorical requirements for MassHealth CarePlus. The question then becomes whether she meets the income requirements to qualify for MassHealth CarePlus.

An individual between the ages of 21 and 64 who is categorically eligible for MassHealth CarePlus can only be financially eligible if “the individual’s modified adjusted gross income of the MassHealth MAGI household is less than or equal to 133% of the federal poverty level.” 130 CMR 505.008(A)(2)(c); <https://www.mass.gov/doc/2024-masshealth-income-standards-and-federal-poverty-guidelines>. To determine financial eligibility pursuant to 130 CMR 506.007(A), MassHealth must construct a household as described in 130 CMR 506.002(B) for each individual who is applying for or renewing coverage. MAGI household composition rules used to determine member eligibility are the following:

(1) Taxpayers Not Claimed as a Tax Dependent on His or Her Federal Income Taxes. For an individual who expects to file a tax return for the taxable year in which the initial determination or renewal of eligibility is being made and who is not claimed as a tax dependent by another taxpayer, the household consists of

(a) the taxpayer; including his or her spouse, if the taxpayers are married and filing jointly regardless of whether they are living together;

(b) the taxpayer’s spouse, if living with him or her regardless of filing status;

(c) all persons the taxpayer expects to claim as tax dependents; and

(d) if any individual described in 130 CMR 506.002(B)(1)(a) through (c) is pregnant, the number of expected children.

Here, the appellant testified and MassHealth verified that she lives in a household of one and that she is the tax filer. Thus, for the purposes of this appeal, the appellant meets the MAGI rules for a household of one.

Once the individual’s household size is established, her MassHealth MAGI household income is determined in the following manner:

(2)....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(K).

(b) Countable income includes earned income described in 130 CMR 506.003(A) and unearned income described in 130 CMR 506.003(B)<sup>3</sup> 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.

(130 CMR 506.007(A)).

The MassHealth representative testified, and the appellant agreed, that her household income is \$2,206.16 per month. Five percentage points of the current 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. See 130 CMR 506.007(A). The MassHealth representative testified that with the five-percentage point disregard, the appellant's gross income equals 168.32% of the FPL. Based on the current MassHealth Income Standards and Federal Poverty Guidelines, the income limit for MassHealth benefits is 133% of the FPL, or \$1,670.00 a month for a household of one. See chart at <https://www.mass.gov/doc/2024-masshealth-income-standards-and-federal-poverty-guidelines>. Thus, MassHealth correctly calculated that the appellant's MAGI household income is over the threshold limit for MassHealth benefits.

Additionally, 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;

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<sup>3</sup> Pursuant to 130 CMR 506.003(B), countable income includes, in relevant part, unearned income, which "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."

- (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.

See 130 CMR 506.003(D).

The appellant testified that she pays \$1,650.00 per month for rent and that life is too expensive. Since neither the appellant's rent nor customary life expenses fall within the allowable deductions enumerated in 130 CMR 506.003 (D), they cannot be considered as deductions. Thus, MassHealth correctly determined that the appellant's income exceeds the allowable threshold limit for MassHealth benefits.

For the foregoing reasons this 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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Sharon Dehmand, Esq.  
Hearing Officer  
Board of Hearings

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