

# Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2410948
Decision Date:	09/12/2024	Hearing Date:	08/12/2024
Hearing Officer:	Alexandra Shube		

Appearance for Appellant:



Appearance for MassHealth:

*Via Teams Videoconference:*

Morgan Burns, Tewksbury MEC (appeared late)

Roxana Noriega, Premium Assistance



*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>	Premium Assistance
<b>Decision Date:</b>	09/12/2024	<b>Hearing Date:</b>	08/12/2024
<b>MassHealth's Rep.:</b>	Morgan Burns; Roxana Noriega	<b>Appellant's Rep.:</b>	██████
<b>Hearing Location:</b>	Tewksbury MassHealth Enrollment Center 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 June 28, 2024, MassHealth informed the appellant that she was not eligible for MassHealth Premium Assistance benefits because the plan she enrolled in did not meet MassHealth's rules for Premium Assistance (Exhibit 1). The appellant filed this appeal in a timely manner on July 15, 2024 (see 130 CMR 610.015(B) and Exhibit 2). Denial of assistance is valid grounds for appeal (see 130 CMR 610.032).

### Action Taken by MassHealth

MassHealth denied the appellant's application for Premium Assistance benefits.

### Issue

The appeal issue is whether MassHealth was correct in determining that the appellant did not qualify for Premium Assistance benefits.

## Summary of Evidence

The Premium Assistance representative and appellant both appeared at hearing at the scheduled time via Teams videoconference. The assigned MassHealth eligibility representative could not be located. As it was primarily a Premium Assistance issue on appeal, the Premium Assistance representative and appellant both agreed to get started with the appeal without the MassHealth eligibility worker. Eventually, a supervisor from the Tewksbury MassHealth Enrollment Center (MEC) joined the Teams meeting nineteen minutes after it was scheduled to begin.

The Premium Assistance representative testified as follows: in June 2024, Premium Assistance received an application from the appellant, whose son is on MassHealth Standard through Social Security. After reviewing the application, Premium Assistance determined that the appellant's employer-sponsored insurance plan deductibles were outside of the allowable limits and, as a result, did not meet the Basic Benefit Level. The deductibles for the appellant's employer-sponsored insurance plan were \$5,000 for an individual plan and \$10,000 for a family plan. The MassHealth deductible limits are \$2,950 for an individual plan and \$5,900 for a family plan. She noted that the applicable regulation (956 CMR 5.03(2)(b)(2)) states \$2,000 and \$4,000, but those amounts are adjusted annually.

The appellant testified that she put her son, who is disabled and on SSI, on her employer-sponsored plan starting July 1, 2024 and filled out the Premium Assistance application in June with her employer. She had two plan options to choose from, each with different deductible amounts. While she understood the Premium Assistance representative's testimony, she was frustrated by the fact that there was nothing in the Premium Assistance application that states these deductible requirements and limits. She also could not locate it anywhere on the website. She did not think it was fair. Had she known about the limits, she would have looked into other options. She also noted that she only had a 15-day window to enroll and by the time she got the MassHealth notice, the 15-day period had already passed.

The Premium Assistance representative noted that the appellant's employer submitted information on the two insurance plans, neither of which would qualify for Premium Assistance because they were over the deductible limits. She explained that typically when a member is enrolling in Premium Assistance, MassHealth would get the plan information, review it, and then inform the member of what plan it would cover. But, here, the appellant had already enrolled in the employer-sponsored plan.

The appellant stated that her employer told her to pick one plan and enroll before the employer filled out the Premium Assistance application. She emphasized her frustration with the process and the fact that none of this information is made known to the public or easily accessible. She felt the information should be on the application.

## Findings of Fact

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

1. In June 2024, MassHealth Premium Assistance received an application on behalf of the appellant, whose son is on MassHealth Standard through Social Security (Testimony).
2. On June 28, 2024, MassHealth notified the appellant that she did not qualify for Premium Assistance benefits (Testimony and Exhibit 1).
3. On July 15, 2024, the appellant timely appealed the denial notice (Exhibit 2).
4. The appellant's employer-sponsored insurance plan has a \$5,000 deductible for an individual plan and a \$10,000 deductible for a family plan (Testimony).
5. The MassHealth deductible limits for 2024 are \$2,950 for an individual plan and \$5,900 for a family plan (Testimony).

## Analysis and Conclusions of Law

Through its Premium Assistance program, MassHealth provides financial assistance to eligible members that have access to private health insurance to help cover the cost of their health insurance premiums. See 130 CMR 506.012(C). Eligibility for this benefit is based on "the individual's coverage type and the type of private health insurance the individual has or has access to." See 130 CMR 506.012(C). Once enrolled, MassHealth issues "premium assistance payments" to the policyholder of the plan. The premium assistance payment is the amount MassHealth contributes to the cost of health insurance coverage for the member. See 130 CMR 501.001.

In regulation 130 CMR 506.012(B), MassHealth establishes the following criteria to determine eligibility for premium assistance:

(B) Criteria. MassHealth may provide a premium assistance payment to an eligible member when all of the following criteria are met.

(1) **The health insurance coverage meets the Basic Benefit Level (BBL) as defined in 130 CMR 501.001: Definition of Terms.** Instruments including but not limited to Health Reimbursement Arrangements, Flexible Spending Arrangements, as described in IRS Pub. 969, or Health Savings Accounts, as described at IRC § 223(c)(2), cannot be used to reduce the health insurance deductible in order to meet the basic-benefit level requirement.

(2) The health insurance policy holder is either

- (a) in the PBFG; or
  - (b) resides with the individual who is eligible for the premium assistance benefit and is related to the individual by blood, adoption, or marriage.
  - (3) At least one person covered by the health-insurance policy is eligible for MassHealth benefits as described in 130 CMR 506.012(A) and the health-insurance policy is a policy that meets the criteria of the MassHealth coverage type for premium assistance benefits as described in 130 CMR 506.012(C).<sup>1</sup>
- (emphasis added).

Furthermore, 130 CMR 501.001 defines the Basic Benefit Level as follows:

(1) benefits provided under a health insurance plan that include a broad range of medical benefits as defined in the minimum creditable coverage core services requirements in 956 CMR 5.03(1)(a); **provided that the annual deductible and the annual maximum out-of-pocket costs under that plan do not exceed the maximum amounts the Massachusetts Health Connector sets for deductibles and out-of-pocket costs in order for a plan to be considered minimum creditable coverage**, as set forth at 956 CMR 5.03(2)(b)2. and 3., and 956 CMR 5.03(2)(c), respectively, and as may be illustrated in administrative bulletins published by the Massachusetts Health Connector, and as are in effect on the first day coverage under that plan begins.

(2) Exceptions.

(a) For the avoidance of doubt, instruments including, but not limited to, Health Reimbursement Arrangements, Flexible Spending Arrangements, as described in IRS Pub. 969, or Health Savings Accounts, as described at IRC § 223(c)(2), cannot be used to reduce the health insurance deductible in order to meet the basic-benefit level requirement.

(b) The MassHealth agency reserves the right to set its own annual deductible and maximum out-of-pocket limits. If the MassHealth agency deems it appropriate to set its own annual deductible and maximum out-of-pocket limits, a sub-regulatory bulletin will be issued.

(Emphasis added).

The Health Connector calculates minimum creditable coverage pursuant to 956 CMR 5.03(2)(b)(2) and (3). The regulation provides as follows:

2. any Deductible(s) for in-network Covered Services that are provided as part of the plan benefits shall not in combination exceed \$2,000 for an individual and \$4,000 for a family;

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<sup>1</sup> 130 CMR 506.012(c) includes employer sponsored insurance as one of the enumerated qualifying policy types.

3. the dollar amounts for individuals specified in 965 CMR 5.03(2)(b)2. shall, unless the Connector Board establishes otherwise for a given calendar year, be adjusted each year by an amount equal to the product of that amount and the premium adjustment percentage for a calendar year as determined by the United States Secretary of Health and Human Services pursuant to 42 U.S.C. § 18022(c)(4). Such amounts are typically published by the Secretary in the annual Notice of Benefit and Payment Parameters regulations. If the amount of any adjustment is not a multiple of \$50, such adjustment shall be rounded down to the next lowest multiple of \$50. The dollar amounts for a family specified in 956 CMR 5.03(2)(b)2. shall be increased each year to an amount equal to twice the amount in effect for an individual, as adjusted pursuant to 956 CMR 5.03(2)(b)3...

The Board of Hearings has limited jurisdiction to redress complaints. Particularly, the Board of Hearings may only redress disputes arising from MassHealth determinations.<sup>2</sup> See 130 CMR 610.032. Here, based on the notice under appeal dated June 28, 2024, the only MassHealth related dispute is whether MassHealth correctly denied the appellant's application for MassHealth Premium Assistance benefits.

In this appeal, MassHealth argues that the appellant does not qualify for premium assistance payments because her employee-sponsored plan does not meet the criteria specified in 130 CMR 506.012(B)(1), above. Specifically, MassHealth determined that the appellant's employee sponsored plan does not meet the BBL because her annual deductible exceeds the maximum limit.

The deductible limits for 2024 are \$2,950 for an individual plan and \$5,900 for a family plan.<sup>3</sup> The appellant's employer-sponsored plan contains a \$5,000 deductible for an individual plan and \$10,000 deductible for a family plan, which exceed these limits.

For these reasons, MassHealth's decision was correct and the appeal is denied.

## Order for MassHealth

None.

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<sup>2</sup> Certain other limited areas of jurisdiction exist within the Board of Hearings that are not based upon MassHealth decisions or decisions by MassHealth contractors, such as decisions by a nursing facility to discharge or transfer a resident. See 130 CMR 610.032(C). The Board of Hearings does not have authority over MassHealth regulations or publications. See 130 CMR 610.032(A).

<sup>3</sup> The deductible limits can be found in the following bulletins providing guidance regarding the minimum creditable coverage regulations: <https://www.mahealthconnector.org/wp-content/uploads/AdminBulletin03-23.pdf>, last accessed on September 11, 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.

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Alexandra Shube  
Hearing Officer  
Board of Hearings

MassHealth Representative: Sylvia Tiar, Tewksbury MassHealth Enrollment Center, 367 East Street, Tewksbury, MA 01876-1957