

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2411953
Decision Date:	9/23/2024	Hearing Date:	09/12/2024
Hearing Officer:	Scott Bernard		

Appearances for Appellant:



Appearances for MassHealth:

Crystal Cameron (Quincy MEC); Roxana Noriega (Premium Assistance Unit) *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/Premium Assistance/Qualifying Event Letter
Decision Date:	9/23/2024	Hearing Date:	09/12/2024
MassHealth's Reps.:	Crystal Cameron; Roxana Noriega	Appellant's Reps.:	[REDACTED]
Hearing Location:	Quincy Harbor South	Aid Pending:	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 23, 2024, MassHealth notified the appellant that it had determined that she had health insurance available through an employer and that she had to be enrolled in that insurance by September 21, 2024 or she could lose her assistance. (See 130 CMR 506.012 and Exhibit (Ex.) 1). The appellant filed this appeal in a timely manner on July 31, 2024. (See 130 CMR 610.015(B) and Ex. 2). Any MassHealth agency action to suspend, reduce, terminate, or restrict a member's assistance is valid grounds for appeal. (See 130 CMR 610.032).

Action Taken by MassHealth

MassHealth informed the appellant that her coverage would be terminated if she was not enrolled in her employer-sponsored insurance.

Issue

The appeal issue is whether MassHealth was correct, pursuant to 130 CMR 503.007, 505.008, and 506.012, in determining that the appellant was required to be enrolled in employer sponsored health insurance.

Summary of Evidence

The appellant, the appellant's father, and an eligibility worker from the Quincy MassHealth Enrollment Center (MEC) attended the hearing in person. A representative from the Premium Assistance Unit attended the hearing by telephone.

The MassHealth representative testified to the following. The appellant is an individual under the age of 65 years old living in a household of one. (Testimony; Ex. 3). The appellant has reported a disability, but the disability has not been verified. (Testimony). The appellant submitted an Adult Disability Supplement in 2023, but the Disability Evaluation Service (DES) denied the supplement on September 26, 2023 because it was incomplete. (Testimony). The appellant is employed and receives \$576.21 bi-weekly from her employer. (Testimony). The appellant's gross monthly income (GMI) is therefore \$1248.71. (Testimony). The appellant's income places her at 94.50% of the federal poverty level (FPL). (Testimony). The appellant has been eligible for MassHealth CarePlus since January 6, 2020. (Testimony; Ex. 3).

The Premium Assistance representative testified to the following. The Premium Assistance Unit performed an investigation of the appellant's employer, which confirmed that they do have employer sponsored insurance (ESI). (Testimony). The Premium Assistance Unit determined that that the appellant's employer offers two insurance plans that qualify for Premium Assistance coverage. (Testimony). The appellant would be 100% reimbursed and MassHealth would mail the appellant a check in advance for the full month's premium for the insurance. (Testimony). The appellant would thereby continue to be eligible for MassHealth CarePlus, which would become the appellant's secondary insurance. (Testimony). This meant that if there were services covered under CarePlus that the employer's insurance does not cover, MassHealth would cover those services if the appellant needed them. (Testimony). In any event, MassHealth sent the appellant the qualifying event letter on July 23, 2024, requiring that the appellant enroll in one of the two employer sponsored plans by September 21, 2024. (Testimony; Ex. 1). As of the date of the hearing, the appellant had not done so. (Testimony).

The appellant testified to the following. The appellant is currently enrolled in an Accountable Care Organization (ACO) through MassHealth and is apprehensive about switching to one of her employer's insurance plans due to both financial and medical concerns. (Testimony). She has complex medical issues and wishes to avoid a plan change that could disrupt her care. (Testimony).

Although she understands that enrolling in her employer's plan would mean MassHealth continues as secondary insurance, she has received conflicting information from MassHealth regarding deductible coverage. (Testimony). Some representatives indicated that her deductibles would not be covered, while others claimed they would be. (Testimony). The employer-sponsored insurance (ESI) plans identified by MassHealth require her to pay \$1,600 in deductibles and/or co-insurance. (Testimony).

The appellant sees approximately 15 different medical providers over the next two months, with

only one-third participating in the ESI network. (Testimony). This raises concerns about having to cover the deductibles for the out-of-network providers, as well as potential 20% co-insurance fees and additional co-pays. (Testimony). Her primary care physician (PCP) plays a critical role in her care coordination, and losing access to the ACO would jeopardize her treatment continuity. (Testimony).

She estimates that, between deductibles and co-insurance, she would be responsible for up to \$5,000 annually—significantly higher than what is considered reasonable by HealthCare.gov and the Massachusetts Health Connector (8.39% of her income). (Testimony). This cost would add to her existing expenses for food, gas, cell phone bills, and occasional clothing purchases, leading her to explore SNAP benefits. (Testimony).

Beyond financial implications, the appellant is also worried about the potential changes to her medical care. (Testimony). The ESI plans offer fewer benefits; for example, they do not cover glasses, and prescription costs are higher. (Testimony). Acupuncture visits would be limited to 12, despite her current authorization for 20. (Testimony). With many of her providers not accepting ESI, switching could mean incurring substantial out-of-network costs, which would complicate her treatment. (Testimony).

The appellant is facing acute issues that could worsen if her care is disrupted, particularly with physical therapy. (Testimony). She is concerned about the delays associated with transitioning to new doctors and the time required to obtain new prior authorizations for necessary treatments. (Testimony).

The decision deadline is approaching she must enroll by September 21, with her employer's HR needing to know by September 19. (Testimony). She is uncertain about the implications of a lapse in coverage and has requested aid pending the appeal's conclusion. (Testimony).

Findings of Fact

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

1. The appellant is an individual under the age of 65 years old living in a household of one. (Testimony; Ex. 3).
2. The appellant submitted an Adult Disability Supplement in 2023, but DES denied the supplement on September 26, 2023 because it was incomplete. (Testimony).
3. The appellant is employed and receives \$576.21 bi-weekly from her employer. (Testimony).
4. The appellant's GMI is therefore \$1248.71. (Testimony).

5. The appellant's income places her at 94.50% of the FPL. (Testimony).
6. The appellant has been eligible for MassHealth CarePlus since January 6, 2020. (Testimony; Ex. 3).
7. The Premium Assistance Unit performed an investigation of the appellant's employer, which confirmed that they do have ESI. (Testimony).
8. The Premium Assistance Unit determined that the appellant's employer offers two insurance plans that qualify for Premium Assistance coverage. (Testimony).
9. The appellant would be 100% reimbursed and MassHealth would mail the appellant a check in advance for the full month's premium for the insurance. (Testimony).
10. The appellant would thereby continue to be eligible for MassHealth CarePlus, which would become the appellant's secondary insurance. (Testimony).
11. This meant that if there were services covered under CarePlus that the employer's insurance does not cover, MassHealth would cover those services if the appellant needed them. (Testimony).
12. In any event, MassHealth sent the appellant the qualifying event letter on July 23, 2024, requiring that the appellant enroll in one of the two employer sponsored plans by September 21, 2024. (Testimony; Ex. 1).
13. As of the date of the hearing, the appellant had not done so. (Testimony).

Analysis and Conclusions of Law

MassHealth "is the payer of last resort and pays for health care and related services only when no other source of payment is available" (130 CMR 503.007.) One requirement of MassHealth coverage is that "member must obtain and maintain available health insurance in accordance with 130 CMR 505.000 ... Failure to do so may result in loss or denial of eligibility unless the applicant or member is" covered by "MassHealth Standard or MassHealth CommonHealth; and ... younger than 21 years old or pregnant." (130 CMR 503.007(A)).

MassHealth determined that the appellant is categorically and financially eligible for CarePlus. (130 CMR 505.008). A criterion for receiving CarePlus is that the member complies with 130 CMR 505.008(C). (130 CMR 505.008(A)(2)(e)). 130 CMR 505.008(C) is entitled "Use of Potential Health Insurance Benefits" and states:

All applicants and members must use potential health insurance benefits in accordance with 130 CMR 503.007: Potential Sources of Health Care and must enroll in health insurance, 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 505.008(D) or 506.012: Premium Assistance Payments. Members must access those other health insurance benefits and must show both their private health insurance card and their MassHealth card to providers at the time services are provided. (130 CMR 505.008(C)).

MassHealth may perform an investigation to determine if individuals receiving MassHealth CarePlus have health insurance that MassHealth can help pay for; or access to employer-sponsored insurance that MassHealth wants the individual to enroll and for which MassHealth will help pay. (130 CMR 505.008(D)(1)). If MassHealth determines the individual is not enrolled in employer-sponsored insurance and the employer is contributing at least 50% of the premium cost and the insurance meets all other criteria for premium assistance payments¹, the individual is notified in writing that they must enroll in this employer-sponsored coverage. (130 CMR 505.008(D)(1)(b)). MassHealth will allow the individual up to 60 days to enroll in this coverage. (Id.). Once enrolled in the health insurance plan, MassHealth will provide MassHealth CarePlus Premium Assistance Payments². (Id.). Failure to enroll in the employer-sponsored health insurance plan at the request of MassHealth will result in loss or denial of eligibility for all individuals in the household receiving MassHealth. (Id.).

The appellant has not demonstrated that MassHealth made an error in issuing the qualifying event letter she is appealing. Prior to issuing the letter, MassHealth confirmed that the appellant's employer offers health insurance and identified that two of the employer's plans met the requirements for the appellant to receive Premium Assistance once she was enrolled in one of them. While the appellant raised reasonable concerns about potential costs and disruptions to her medical care, the regulations do not appear to allow consideration of these factors when determining whether appellant is required to enroll in the identified ESI.

According to the qualifying event letter, the appellant must enroll in her employer-sponsored insurance by September 21, 2024. If she fails to do so, MassHealth would be justified in terminating her CarePlus coverage.

For the above stated reasons, the 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

¹ Described in 130 CMR 506.012: Premium Assistance Payments.

² Again see 130 CMR 506.012.

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