

# Office of Medicaid BOARD OF HEARINGS

**Appellant Name and Address:**



<b>Appeal Decision:</b>	Denied	<b>Appeal Number:</b>	2413677
<b>Decision Date:</b>	11/12/2024	<b>Hearing Date:</b>	10/15/2024
<b>Hearing Officer:</b>	Amy B. Kullar, Esq.	<b>Record Open to:</b>	10/29/2024

**Appearance for Appellant:**  
Pro se

**Appearance for MassHealth:**  
Elizabeth Nickoson, Taunton MassHealth  
Enrollment Center



*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; Income
<b>Decision Date:</b>	11/12/2024	<b>Hearing Date:</b>	10/15/2024
<b>MassHealth's Rep.:</b>	Elizabeth Nickoson	<b>Appellant's Rep.:</b>	Pro se
<b>Hearing Location:</b>	Taunton MassHealth Enrollment Center Room 2	<b>Aid Pending:</b>	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 August 20, 2024, MassHealth informed the appellant that her MassHealth Standard benefit would be terminated effective August 10, 2024, upon MassHealth determining that her gross countable household income exceeds the eligibility limit. Exhibit 1. Appellant filed for an appeal with the Board of Hearings (BOH) in a timely manner on September 3, 2024. *See* 130 CMR 610.015(B) and Exhibit 2. Termination of assistance constitutes a valid ground for appeal. *See* 130 CMR 610.032. *Aid pending* status was granted forestalling the scheduled termination of benefits pending the outcome of this appeal.

### Action Taken by MassHealth

MassHealth determined that the appellant no longer financially qualifies for MassHealth Standard benefits due to income and terminated her MassHealth Standard benefits.

### Issue

The appeal issue is whether MassHealth correctly determined that the appellant's household

income is too high for the appellant to receive MassHealth Standard benefits.

## **Summary of Evidence**

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

The MassHealth representative testified that the subject notice concerns the determination that the appellant is no longer eligible for MassHealth benefits because her income is over the applicable eligibility limit. According to MassHealth, the appellant resides in a household of one and is between the ages of 18-64. The MassHealth representative testified that the appellant was sent a renewal application in August of 2024. The appellant returned the renewal and her verified monthly gross income is \$3,432.00. This places the household at 268.45% of the 2024 Federal Poverty Level (FPL) for a household of one, which exceeds the eligibility limit of 133% FPL by 135.45%. The MassHealth representative further stated that the appellant is eligible for several Connector Care plans.

The appellant did not dispute her income as verified by MassHealth. She has a lot of medical issues and she cannot lose her health insurance. Upon questioning by the hearing officer, the appellant testified that she is not diagnosed with cancer, is not currently pregnant, and is not HIV positive. The MassHealth representative stated that if the appellant has a chronic health issue, she may be considered disabled by MassHealth, and she should submit a disability supplement if she feels that she needs MassHealth Standard coverage.

At the conclusion of the hearing, the record was left open for two weeks for the appellant to submit a disability supplement to MassHealth. MassHealth did not receive the disability supplement during the record open period and on October 29, 2024, and the hearing officer closed the administrative record.

## **Findings of Fact**

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

1. The appellant is between the ages of 18-64 and resides in a household of one. Exhibit 4, Testimony.
2. On August 20, 2024, MassHealth issued a notice terminating the appellant's MassHealth Standard benefits with an effective date of August 10, 2024, due to the appellant exceeding the income limits to qualify for benefits. Exhibit 1.

3. The appellant filed a timely notice of appeal on September 3, 2024. Exhibit 2.
4. The appellant's household's total gross monthly income is \$3,432.00, which is 268.45% of the 2024 FPL for a household of one. Testimony.
5. There is no evidence that the appellant is currently disabled, has been diagnosed with cancer, is currently pregnant, or is HIV positive.

## 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 particular 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) *Standard* - for pregnant women, 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 members, and medically frail as such term is defined in 130 CMR 505.008(F);
- (2) *CommonHealth* - for disabled adults, disabled young adults, and disabled children who are not eligible for MassHealth Standard;
- (3) *CarePlus* - for adults 21 through 64 years of age who are not eligible for MassHealth Standard;
- (4) *Family Assistance* - for children, young adults, certain noncitizens, and persons who are HIV positive who are not eligible for MassHealth Standard, CommonHealth, or CarePlus;
- (5) *Small Business Employee Premium Assistance* - for adults or young adults who
  - (a) work for small employers;
  - (b) are not eligible for MassHealth Standard, CommonHealth, Family Assistance, or CarePlus;
  - (c) do not have anyone in their premium billing family group who is otherwise receiving a premium assistance benefit; and
  - (d) have been determined ineligible for a Qualified Health Plan with a Premium Tax Credit due to access to affordable employer-sponsored insurance coverage;
- (6) *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
- (7) *Senior Buy-In and Buy-In* - for certain Medicare beneficiaries.

130 CMR 505.001(A).

To establish eligibility for MassHealth benefits, applicants must meet both the categorical and financial requirements.

According to 130 CMR 505.008, “MassHealth CarePlus:”

(A) Overview.

(1) 130 CMR 505.008 contains the categorical requirements and financial standards for MassHealth CarePlus. This coverage type provides coverage to adults 21 through 64 years old.

(2) Persons eligible for MassHealth CarePlus Direct Coverage are eligible for medical benefits, as described in 130 CMR 450.105(B): MassHealth CarePlus and 130 CMR 508.000: MassHealth: Managed Care Requirements and must meet the following conditions.

(a) The individual is an adult 21 through 64 years old.

(b) The individual is a citizen, as described in 130 CMR 504.002: U.S. Citizens, or a qualified noncitizen, as described in 130 CMR 504.003(A)(1): Qualified Noncitizens.

**(c) The individual's modified adjusted gross income of the MassHealth MAGI household is less than or equal to 133% of the federal poverty level.**

**(d) The individual is ineligible for MassHealth Standard.**

(e) The adult complies with 130 CMR 505.008(C). (f) The individual is not enrolled in or eligible for Medicare Parts A or B.

...

(emphasis added)

Here, the appellant does not challenge that she resides in a household of one. Based on 2024 MassHealth Income Standards and Federal Poverty Guidelines, 133% of the federal poverty level equates to a monthly income of \$1,670.00, or a yearly income of \$20,040.00 for a household of one. See chart at <https://www.mass.gov/doc/2024-masshealth-income-standards-and-federal-poverty-guidelines-0/download>.

The appellant is not disabled, so she is not categorically eligible for MassHealth Standard or MassHealth CommonHealth.

MassHealth determines an applicant’s modified adjusted gross income (MAGI) by taking 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), less deductions described in 130 CMR 506.003(D). Specifically, 130 CMR 506.007 provides how the MAGI is calculated:

...Countable income includes earned income described in 130 CMR 506.003(A) and unearned income described in 130 CMR 506.003(B) less

deductions described in 130 CMR 506.003(C). Income of all the household members forms the basis for establishing an individual's eligibility. 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).

(A) Financial eligibility for coverage types that are determined using the MassHealth MAGI household rules and the MassHealth Disabled Adult household rules is determined by comparing the sum of all countable income less deductions for the individual's household as described at 130 CMR 506.002 with the applicable income standard for the specific coverage type. In determining monthly income, the MassHealth agency multiplies average weekly income by 4.333. 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.

(B) The financial eligibility standards for each coverage type may be found in 130 CMR 505.000: *Health Care Reform: MassHealth: Coverage Types*.

(C) The monthly federal-poverty-level income standards are determined according to annual standards published in the *Federal Register* using the following formula. The MassHealth agency adjusts these standards annually.

(1) Divide the annual federal poverty-level income standard as it appears in the *Federal Register* by 12.

(2) Multiply the unrounded monthly income standard by the applicable federal-poverty-level standard.

(3) Round up to the next whole dollar to arrive at the monthly income standards.

(D) Safe Harbor Rule. The MassHealth agency will provide a safe harbor for individuals whose household income determined through MassHealth MAGI income rules results in financial ineligibility for MassHealth but whose household income determined through Health Connector income rules as described at 26 CFR 1.36B-1(e) is below 100 percent FPL. In such case, the individual's financial eligibility will be determined in accordance with Health Connector income rules.

(1) MassHealth uses current monthly income and the Health Connector uses projected annual income amounts.

(2) MassHealth MAGI household uses exceptions to tax household rules and the Health Connector uses the pure tax filing household.

(E) MAGI Protection for Individuals Receiving MassHealth Coverage on December 31, 2013. Notwithstanding the above, in the case of determining ongoing eligibility for individuals determined eligible for MassHealth coverage to begin on or before December 31, 2013, application of the MassHealth MAGI Household Income Calculation methodologies as set forth in 130 CMR 506.007 will not be applied until March 31, 2014, or the next regularly scheduled annual renewal of eligibility for such individual under 130 CMR 502.007, whichever is later, if the application of such methodologies would result in a downgrade of benefits.

Earned income “may include wages, salaries, tips, commissions, and bonuses.” 130 506.003(A)(1). Seasonal income that fluctuates throughout the year is counted by taking the “annual gross taxable income...divided by 12 to obtain a monthly taxable gross income.” *Id.* at 506.003(A)(3). Per 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.”

Here, MassHealth determined, and the appellant agreed, that the total gross monthly income for the appellant’s household is \$3,432.00. As that amount exceeds 133% of the 2024 federal poverty level based on the eligibility limits, the appellant is not financially eligible for MassHealth Standard benefits. In addition, pursuant to 130 CMR 505.008(A), above, she is not financially eligible for MassHealth CarePlus.

In view of the above, I find that MassHealth did not err in issuing the notice terminating the appellant’s MassHealth benefits.

For the foregoing reasons, the appeal is denied.

The 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.

## **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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Amy B. Kullar, Esq.  
Hearing Officer  
Board of Hearings

MassHealth Representative: Justine Ferreira, Taunton MassHealth Enrollment Center, 21 Spring St., Ste. 4, Taunton, MA 02780