

**Office of Medicaid
BOARD OF HEARINGS**

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2415159
Decision Date:	12/16/2024	Hearing Date:	11/5/2024
Hearing Officer:	Cynthia Kopka	Record Open to:	11/30/2024

Appearance for Appellant:
Pro se

Appearance for MassHealth:
Nancy Derisma, Charlestown



*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:	Community eligibility, under 65, income
Decision Date:	12/16/2024	Hearing Date:	11/5/2024
MassHealth's Rep.:	Nancy Derisma	Appellant's Rep.:	Pro se
Hearing Location:	Charlestown (remote)	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

By notice dated September 26, 2024, MassHealth downgraded Appellant's coverage from MassHealth Standard to Health Safety Net. Exhibit 1. Appellant filed this appeal in a timely manner on October 2, 2024 and was eligible to keep the previous benefit level pending the outcome of the appeal. Exhibit 2. 130 CMR 610.015(B), 130 CMR 610.036. Termination, modification, or denial of assistance is a valid basis for appeal. 130 CMR 610.032.

Action Taken by MassHealth

MassHealth notified Appellant that coverage would downgrade from MassHealth Standard to Health Safety Net.

Issue

The appeal issue is whether MassHealth was correct in determining that Appellant no longer qualified for MassHealth Standard.

Summary of Evidence

The MassHealth representative appeared by phone and testified as follows. Appellant is under the age of 65, and had previously been approved for MassHealth Standard. On September 26, 2024, MassHealth notified Appellant that his coverage would downgrade to Health Safety Net, with Standard ending October 31, 2024. Appellant received aid pending benefits and remained on MassHealth Standard pending the outcome of this appeal.

The MassHealth representative testified that the information in the system was that Appellant's household size was 4 and Appellant's spouse's income was \$3,729.95. MassHealth calculated this to be 138.46% of the federal poverty level (FPL). In order for Appellant to be eligible for MassHealth Standard as a parent, the household income would have to be 133% or less of the FPL, or \$3,458.00 for a household of 4. Appellant and his spouse were eligible to enroll in a Health Connector plan type 2B with tax credits. Appellant's children remained eligible for MassHealth Standard.

Appellant appeared by phone and testified as follows. Appellant did not dispute the income calculation. Appellant made multiple phone calls to MassHealth seeking information and was told that if he sought to continue on MassHealth, he should file the appeal. If that was unsuccessful, Appellant was told that he and his spouse may have to enroll in the spouse's employer-sponsored insurance (ESI), which MassHealth could help pay for. Appellant testified that his spouse's ESI was not affordable. Appellant has high monthly expenses including specialized school for his child. Appellant was also told the Health Connector may have subsidized plans.

Appellant asked if his spouse was also protected under MassHealth Standard. Appellant filed an appeal of the spouse's downgrade on his spouse's behalf, Appeal No. 2415157. This appeal was dismissed because Appellant's spouse had not signed the request for hearing. The dismissal was vacated, and Appellant's spouse's protection was reinstated. Appellant's spouse's appeal is scheduled to be heard on January 2, 2025.

Appellant asked that the hearing record be held open through November 20, 2024 so that he could consider his options. On November 20, 2024, Appellant asked for an extension of the record open period. Exhibit 5. Appellant provided no further response.

Findings of Fact

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

1. Appellant is in a household of 4 and under the age of 65.
2. Appellant's household income is \$3,729.95 monthly.

3. In 2024, the monthly FPL for a household of 4 was \$2,600; 133% of the FPL was \$3,458.
4. On September 26, 2024, MassHealth notified Appellant that Standard coverage would end on October 31, 2024. Exhibit 1.
5. Appellant filed this timely appeal on October 2, 2024 and was eligible to keep the previous benefit level pending the outcome of the appeal. Exhibit 2.

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 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) MassHealth Standard – for people who are pregnant, 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 (DMH) 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 [REDACTED] years of age who are not eligible for MassHealth Standard;
- (4) MassHealth Family Assistance – for children, young adults, certain noncitizens, and persons who are HIV positive who are not eligible for MassHealth Standard, MassHealth CommonHealth, or MassHealth CarePlus;
- (5) MassHealth Limited – for certain lawfully present immigrants as described in 130 CMR 504.003(A): *Lawfully Present Immigrants*, nonqualified PRUCOLs, and other noncitizens as described in 130 CMR 504.003: *Immigrants*; and
- (6) MassHealth Medicare Savings Programs – for certain Medicare beneficiaries.

130 CMR 505.001(A).

In order to establish eligibility for MassHealth benefits, applicants must meet both the categorical and financial requirements. MassHealth determines financial eligibility based on an applicant's modified adjusted gross income. MassHealth takes 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), and subtracts deductions described in 130 CMR 506.003(D). 130 CMR 506.007. Per 130 CMR 506.003, the regulatory definitions of earned income, unearned income and deductions are as follows:

(A) Earned Income.

(1) Earned income is the total amount of taxable compensation received for work or services performed less pretax deductions. Earned income may include wages, salaries, tips, commissions, and bonuses.

(2) Earned taxable income for the self-employed is the total amount of taxable annual income from self-employment after deducting annual business expenses listed or allowable on a U.S. Individual Tax Return. Self-employment income may be a profit or a loss.

(3) Earned income from S-Corporations or Partnerships is the total amount of taxable annual profit (or loss) after deducting business expenses listed or allowable on a U.S. Individual Tax Return.

(4) Seasonal income or other reasonably predictable future income is taxable income derived from an income source that may fluctuate during the year. Annual gross taxable income is divided by 12 to obtain a monthly taxable gross income with the following exception: if the applicant or member has a disabling illness or accident during or after the seasonal employment or other reasonably predictable future income period that prevents the person's continued or future employment, only current taxable income will be considered in the eligibility determination.

(B) Unearned Income.

(1) Unearned income is the total amount of taxable income that does not directly result from the individual's own labor after allowable deductions on the U.S Individual Tax Return.

(2) Unearned income 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.

(C) Rental Income. Rental income is the total amount of taxable income less any deductions listed or allowable on an applicant's or member's U.S. Individual Tax Return.

(D) Deductions. 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;
- (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.

An adult parent of a child under the age of [REDACTED] years old may be eligible for MassHealth Standard if his or her income is below 133% of the FPL. 130 CMR 505.002(C)(1)(a).

Here, Appellant's monthly household income for 4 is \$3,729.95, which exceeds the 133% limit to qualify for a MassHealth benefit. Appellant is eligible for a Health Connector plan. 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.

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.

Cynthia Kopka
Hearing Officer
Board of Hearings

MassHealth Representative: Nga Tran, Charlestown MassHealth Enrollment Center, 529 Main Street, Suite 1M, Charlestown, MA 02129