

**Office of Medicaid  
BOARD OF HEARINGS**

**Appellant Name and Address:**



<b>Appeal Decision:</b>	Denied	<b>Appeal Number:</b>	2415173
<b>Decision Date:</b>	11/8/2024	<b>Hearing Date:</b>	11/04/2024
<b>Hearing Officer:</b>	Alexandra Shube		

**Appearance for Appellant:**



**Appearance for MassHealth:**

*Via telephone:*  
Jasmine Gomez, Tewksbury 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>	Eligibility; Under 65; Income
<b>Decision Date:</b>	11/8/2024	<b>Hearing Date:</b>	11/04/2024
<b>MassHealth's Rep.:</b>	Jasmina Gomez	<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 October 3, 2024, MassHealth informed the appellant that he did not qualify for MassHealth benefits because he was over the allowable income limit (Exhibit 1). The appellant filed this appeal in a timely manner on October 3, 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 informed the appellant that he did not qualify for MassHealth benefits because his income was too high.

## Issue

The appeal issue is whether MassHealth was correct in determining that the appellant did not qualify for MassHealth benefits because his income was too high.

## Summary of Evidence

The appellant was represented at hearing via telephone by his mother who is the head of the household. The MassHealth representative appeared at hearing via telephone and testified as follows: there is a household size of three which includes the mother, who is under the age of 65, the appellant who is [REDACTED], and his brother who is [REDACTED]. The appellant and his brother are tax dependents of the head of household. The head of household completed a renewal on August 20, 2024 and reported gross income of \$3,465.40 every two weeks, or \$7,509.52 gross per month. She also reported deductions for college tuition payments in the amount of \$18,700 annually. MassHealth is still pending proof of income (specifically, the reported deductions), but based on what was reported at the time of the application and an update made on October 3, 2024, MassHealth determined that the appellant's modified adjusted gross income (MAGI) was \$5,951.19 per month, or 276.54% of the Federal Poverty Level (FPL). The income limit for a non-disabled adult between the ages of 21 and 65 is 133% of the FPL, or \$2,862 gross per month for a household size of three. The income limit for a young adult ages [REDACTED] is 150% of the FPL, or \$3,228 gross per month for a household size of three. On October 3, 2024, MassHealth issued the notice currently under appeal (as well as notices for the other members in the household) informing the appellant that he did not qualify for MassHealth benefits because he was over the allowable income limit.

The appellant's mother testified that her son is a full-time college student and does not have any income. The income reported is hers. She did not dispute the reported \$3,465.40 every two weeks and confirmed that she makes \$90,000 gross annually. She claims the appellant and his brother on her taxes and makes tuition payments for both of them that she wants considered as a deduction. The appellant's Social Security was used fraudulently which delayed the mother filing taxes. She just got 2022 taxes done and has not filed 2023 yet because of the Social Security issues. Additionally, the 2022 taxes would only reflect tuition payments for one child, while in 2023, she made tuition payments for both children.

The MassHealth representative explained that MassHealth considers the entire household's income, which was why the appellant's mother's income was considered. Additionally, she listed all the deductions allowed under regulation 130 CMR 506.003(D), which are the only deductions allowed when calculating MAGI countable income. Student loan interests, scholarships, awards, or fellowships are considered, but not necessarily tuition payments. MassHealth still needs verification of the head of household's income and deductions. Any allowable deductions would be shown in her tax return.

## Findings of Fact

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

1. The appellant is [REDACTED] with a household size of three. His mother, who is head of the household, represented him at hearing. (Testimony).
2. On October 3, 2024, MassHealth notified the appellant that he was not eligible for MassHealth benefits because he was over the allowable income limit (Testimony and Exhibit 1).
3. On October 3, 2024, the appellant timely appealed the denial notice (Testimony and Exhibit 2).
4. The most recently reported gross income for the household is \$3,465.40 every two weeks (\$7,509.52 gross per month), or 348.96% of the FPL (Testimony).
5. The appellant is tax dependent of the head of household and a full-time student with no income of his own (Testimony).
6. The appellant's mother also reported \$18,700 in college tuition payments which MassHealth included as a deduction to arrive at a MAGI countable income of \$5,941.19 per month, or 276.54% of the FPL (Testimony).
7. The appellant did not dispute her income (Testimony).
8. The appellant has not provided proof of income, specifically the reported deductions (Testimony).
9. To qualify for MassHealth benefits, a young adult ages [REDACTED] must be at or below 150% of the FPL, of \$3,228 gross per month for a household size of three (Testimony).
10. To qualify for MassHealth benefits, a non-disabled adult between the ages of 21 and 65 must be at or below 133% of the FPL, or \$2,862 gross per month for a household size of three (Testimony).
11. The appellant and his household are over the allowable income limits.

## Analysis and Conclusions of Law

MassHealth offers a variety of benefits based upon an individual's circumstances and finances. To qualify for MassHealth, an individual must fit into a category of eligibility and fall below a certain financial threshold.

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

- (1) Standard for pregnant women, children, parents and caretaker relatives, young adults,<sup>1</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) 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

The calculation of financial eligibility is set forth in 130 CMR 506.007 as follows:

The rules at 130 CMR 506.003 and 506.004 describing countable income and noncountable income apply to both MassHealth MAGI households and MassHealth Disabled Adult households.

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<sup>1</sup> "Young adults" are defined at 130 CMR 501.001 as those aged [REDACTED].

(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.

(1) The MassHealth agency will construct a household as described in 130 CMR 506.002 for each individual who is applying for or renewing coverage. Different households may exist within a single family, depending on the family members' familial and tax relationships to each other.

(2) Once the individual's household is established, financial eligibility is determined by 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) 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)).

Additionally, pursuant to 506.003(D), 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.

(Emphasis added).

Categorically, as a young adult the appellant is eligible for MassHealth Standard; however, under 130 CMR 505.002(B)(3), the income limit for that coverage type is 150% of the FPL. For a household of three, that limit is \$3,228 gross monthly. Based on the most recently reported income, the household's gross income is \$7,509.52 per month, or 348.96% of the FPL. After deducting five percentage points of the current FPL, the appellant's countable income would be 343.96% of the FPL. While the deductions have not yet been verified and tuition payments are not an allowable deduction pursuant 130 CMR 506.003(D) (student loan interest is), MassHealth adjusted the MAGI countable income to \$5,951.19 per month (or 276.54% of the FPL) based on \$18,700 in deductions reported by the appellant for tuition payments.<sup>2</sup> Accounting for the five-percentage point deduction, the household's countable income is 271.54% of the FPL, which still far exceeds the allowable income limit for [REDACTED] to qualify for MassHealth.

Categorically, the appellant's mother is eligible for MassHealth CarePlus as she does not fall into any of the MassHealth Standard categories;<sup>3</sup> however, under 130 CMR 505.008(A)(2)(c), the income limit for CarePlus is 133% of the FPL. For a household of three, that limit is \$2,862 gross monthly. As calculated above, the appellant's household income exceeds that limit, even if the non-verified deductions are considered.<sup>4</sup>

For these reasons, the MassHealth determination in the October 3, 2024 notice was correct and the appeal is denied.

## Order for MassHealth

None.

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<sup>2</sup> It is likely that once the income and deductions are verified, this will not be deducted; however, for the purposes of hearing, I will use the lower income, which is more favorable to the appellant.

<sup>3</sup> MassHealth Standard is available to parents and caretakers of children younger than [REDACTED] See 130 CMR 505.002(C)(1).

<sup>4</sup> The appellant can provide MassHealth with the appropriate verifications for the reported deductions and income for MassHealth to redetermine her income and eligibility. As stated by the MassHealth representative at hearing, MassHealth would need her tax returns to confirm the deductions.

## **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