

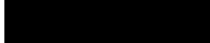
**Office of Medicaid  
BOARD OF HEARINGS**

**Appellant Name and Address:**



<b>Appeal Decision:</b>	Denied	<b>Appeal Number:</b>	2415347
<b>Decision Date:</b>	12/16/2024	<b>Hearing Date:</b>	11/05/2024
<b>Hearing Officer:</b>	Mariah Burns		

**Appearance for Appellant:**



**Appearance for MassHealth:**

Stephanie Mowles, Quincy 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>	Long-Term Care; Patient Paid Amount
<b>Decision Date:</b>	12/16/2024	<b>Hearing Date:</b>	11/05/2024
<b>MassHealth's Rep.:</b>	Stephanie Mowles	<b>Appellant's Rep.:</b>	[REDACTED]
<b>Hearing Location:</b>	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 September 25, 2024, MassHealth informed the appellant of an increase to his long-term care Patient Paid Amount. *See* 130 CMR 520.026 and Exhibit 1. The appellant filed this appeal in a timely manner on October 7, 2024. *See* 130 CMR 610.015(B) and Exhibit 2. Agency determinations regarding scope and amount of assistance are valid grounds for appeal. *See* 130 CMR 610.032.

## Action Taken by MassHealth

MassHealth updated the appellant's long-term care Patient Paid Amount.

## Issue

The appeal issue is whether MassHealth correctly calculated the appellant's Patient Paid Amount.

## Summary of Evidence

The appellant is an adult over the age of 65 who is currently receiving MassHealth Standard long-term care benefits. He was represented at the hearing by his spouse. MassHealth was

represented by a worker from the Quincy MassHealth Enrollment Center. All parties appeared by telephone. The following is a summary of the testimony and evidence provided at hearing:

On September 25, 2024, MassHealth informed the appellant of a change to his Patient Paid Amount (PPA) from \$2621.07 to \$2434.85 as of September 1, 2024, due to an update of his spousal in-home allowance. MassHealth verified the appellant's monthly income as being \$2568.00 in Social Security benefits and \$783.68 in total pension benefits for a total of \$3,351.68. In determining the appellant's PPA, MassHealth deducted the standard Personal Needs Allowance of \$72.80, and a spousal in-home allowance deduction of \$834.13.

In determining whether the appellant's spouse is entitled to a Spousal Maintenance Needs Allowance (SMNA) deduction to her spouse's PPA, MassHealth first calculated the appropriate minimum monthly maintenance needs allowance (MMMNA). In so doing, MassHealth confirmed the appellant's spouse's monthly mortgage payment to be \$1000.00, her taxes and insurance to be \$1027.00 per month, and noted that her heat is not included in her mortgage payment. When adding the SNAP utility allowance of \$860.00, MassHealth determined that the appellant's total shelter expenses are \$2887.00. The regulatory standard shelter expense of \$766.50 was then deducted, leaving \$2120.50. MassHealth then added the Federal Standard of \$2555.00, equaling a total MMMNA of \$4675.50. Because this amount is more than the Maximum Monthly Maintenance Needs Allowance (max MMNA) of \$3853.50, as set by the regulations, MassHealth used the lower of the two figures to determine whether the appellant was entitled to a deduction.

MassHealth verified the appellant's spouse's gross monthly income to be \$3019.37. Because that amount is less than the max MMNA, MassHealth determined that the appellant is entitled to a spousal maintenance deduction from her spouse's PPA and determined that amount to be the difference between the two, or \$834.13. Therefore, after deducting the standard personal needs allowance of \$72.80 and the spousal in-home allowance of \$834.13 from the appellant's total monthly income of \$3351.68, MassHealth determined that the appellant's total PPA is \$2434.85.

The appellant's spouse agreed with MassHealth's calculation of the appellant's income, her shelter expenses, and her income. She reported that both she and the appellant have premiums for life insurance. She also expressed concern that the PPA increased so much from last year, which the MassHealth representative explained is because the PPA was not recalculated during the COVID-19 pandemic.

## **Findings of Fact**

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

1. The appellant is an adult over the age of 65 who is currently receiving MassHealth Standard long-term care benefits. Testimony, Exhibit 1, Exhibit 4.

2. On September 25, 2024, MassHealth informed the appellant of a change to his Patient-Paid Amount (PPA) from \$2621.07 to \$2434.85 as of September 1, 2024, due to an update of his spousal in-home allowance. Testimony, Exhibit 1.
3. The appellant filed a timely request for fair hearing on October 7, 2024. Exhibit 2.
4. The appellant currently receives \$3351.68 in monthly income through social security and pension benefits. Testimony, Exhibit 1.
5. The appellant's spouse has total monthly shelter expenses of \$2887.00 for purposes of an SMNA calculation. Testimony, Exhibit 5 at 5.
6. The appellant's total monthly income is \$3019.37 in wages. Testimony, Exhibit 5 at 5.
7. There is no evidence that the appellant supports a dependent child in the community, pays out of pocket for health insurance benefits or medical expenses, or pays any guardianship fees. Testimony.

## **Analysis and Conclusions of Law**

MassHealth administers and is responsible for delivery of healthcare benefits to MassHealth members. See 130 CMR 515.002. Eligibility for MassHealth benefits differs depending on an applicant's age. 130 CMR 515.000 through 522.000 (referred to as Volume II) provide the requirements for non-institutionalized persons aged 65 or older, institutionalized persons of any age, persons who would be institutionalized without community-based services, and certain Medicare beneficiaries. 130 CMR 515.002(B). As the appellant is over 65 years old and an institutionalized person, he is subject to the requirements of the provisions of Volume II. 130 CMR 515.002.

Long-term care residents over the age of 65 may establish eligibility for MassHealth Standard coverage of their care if they meet the following requirements:

- (1) be younger than 21 years old or 65 years of age or older...
- (2) be determined medically eligible for nursing facility services by the MassHealth agency or its agent as a condition for payment...
- (3) *contribute to the cost of care as defined at 130 CMR 520.026: Long-term-care General Income Deductions;*
- (4) have countable assets of \$2,000 or less for an individual... and
- (5) not have transferred resources for less than fair market value...

130 CMR 519.006(A) (emphasis added).

That contribution to the cost of care is known as the Patient-Paid Amount (PPA). See 130 CMR 515.001. It is calculated by deducting certain costs listed at 130 CMR 520.026 from the member's monthly countable income. 130 CMR 520.009(A)(3). Those deductions include the following:

- The standard Personal-needs Allowance of \$72.80. 130 CMR 520.026(A);
- The spousal-maintenance needs deduction if the member has a community spouse. *Id.* at 520.026(B);
- Deductions for family maintenance needs if the member has a minor child, a dependent child, a dependent parent, or a dependent sibling who resides with the community spouse. *Id.* at 520.026(C);
- Deductions for maintenance of a former home. *Id.* at 520.026(D);
- Deductions for Health-care Coverage and other incurred expenses, including guardianship fees. *Id.* at 520.026(E).

The regulations provide no other deductions to calculate a member's PPA. Countable unearned income includes, in relevant part, "social security benefits, railroad retirement benefits, pensions, annuities, federal veterans' benefits, rental income, interest, and dividend income." 130 CMR 520.009(D).

The spousal allowance (or SMNA) is the amount that MassHealth deducts from the institutionalized spouse's countable income when the community spouse has a shortfall in meeting his or her minimum monthly maintenance needs allowance (MMMNA). *Id.* The MMMNA is defined as the amount needed by the community spouse to remain in the community and is based on a calculation that includes the spouse's shelter and utility costs and certain federal standards incorporated into regulation. See 130 CMR 520.017(B). If the community spouse's gross income is less than their MMMNA, MassHealth may deduct a spousal allowance from the institutionalized spouse's countable-income amount to meet this need. See 130 CMR 520.026(B).

Pursuant to 130 CMR 520.026(B), MassHealth determines the appropriate MMMNA by selecting **the lesser of** the following two figures: either (1) the maximum monthly maintenance needs allowance set by federal standards at \$3853.50,<sup>1</sup> **or** (2) the actual spousal monthly maintenance needs which is determined by adding the following amounts:<sup>2</sup>

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<sup>1</sup> This figure was obtained from the federal *2024 SSI and Spousal Impoverishment Standards*, published by the Centers for Medicare & Medicaid Services (CMS), and was in effect at all relevant times for purposes of this appeal.

<sup>2</sup> The figures cited in MassHealth's publication of 130 CMR 520.026(B) do not reflect the updated and current federal standards. For clarity, this Decision has incorporated all applicable figures as set forth by CMS in its *2024 SSI and Spousal Improvement Standards* and those cited via MassHealth publication *Non-MAGI Financial Information Job Aid*. All such figures were appropriately used in MassHealth's calculation in determining the SMNA and are entered into evidence as Exhibit 6 at 21.

- (a) [\$2555.00] (the minimum monthly maintenance needs allowance); and
- (b) an excess shelter allowance determined by calculating the difference between the standard shelter expense of [\$766.50] and the shelter expenses for the community spouse's principal residence, including:
  - 1. the actual expenses for rent, mortgage (including interest and principal), property taxes and insurance, and any required maintenance charge for a condominium or cooperative; and
  - 2. the applicable standard deduction under the Food Stamp Program for utility expenses...If heat is not included in the rent or condominium fee, this amount is [\$850].

See 130 CMR 520.026(B)(1).

Using this formula, MassHealth properly found that the appellant's spouse had an actual monthly maintenance needs amount of \$4675.50. Because this amount exceeds the regulatory limit, MassHealth appropriately used the maximum maintenance needs standard of \$3853.50 as the MMMNA. Furthermore, because the difference between the maximum MMNA and the appellant spouse's monthly income leaves her with a shortfall of \$834.13, MassHealth correctly allowed for that amount to be deducted from the appellant's PPA each month.

Here, MassHealth determined, and the appellant agrees, that the appellant's monthly income is \$3351.68. In determining the appellant's PPA, MassHealth subtracted the standard Personal-needs Allowance of \$72.80 and the spousal in-home allowance of \$834.13, leaving a total PPA of \$2434.85 per month. Because the evidence does not show that the appellant is entitled to any additional deductions to his PPA, I find no error with the issuance of the September 25, 2024, notice informing the appellant of a change to his PPA.

For the foregoing reasons, the appeal is hereby 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.

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Mariah Burns  
Hearing Officer  
Board of Hearings

cc:

MassHealth Representative: Quincy MEC, Attn: Appeals Coordinator, 100 Hancock Street, 6th Floor, Quincy, MA 02171