

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2415789
Decision Date:	12/20/2024	Hearing Date:	11/19/2024
Hearing Officer:	Mariah Burns		

Appearance for Appellant:
Pro se

Appearance for MassHealth:
Kathryn Begin, Tewksbury 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

Appeal Decision:	Denied	Issue:	Under 65; Eligibility; Income
Decision Date:	12/20/2024	Hearing Date:	11/19/2024
MassHealth's Rep.:	Kathryn Begin	Appellant's Rep.:	Pro se
Hearing Location:	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

Through a notice dated October 1, 2024, MassHealth downgraded the appellant's infant child's benefits from MassHealth Standard to MassHealth Family Assistance because MassHealth determined that the appellant's income is too high. *See* 130 CMR 505.002 and Exhibit 1. The appellant filed this appeal in a timely manner on October 11, 2024, and Aid Pending was applied. *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 downgraded the appellant's child's MassHealth benefits from Standard to Family Assistance.

Issue

The appeal issue is whether MassHealth correctly calculated the appellant's income in determining that his infant child is only eligible for MassHealth Family Assistance.

Summary of Evidence

The appellant is an adult under the age of 65 who resides in a household of three with his partner and their infant child who is between the ages of 1 and 18. MassHealth was represented by a worker from the Charlestown MassHealth Enrollment Center. All parties appeared at the hearing by telephone. The following is a summary of the evidence and testimony provided:

Prior to the issuance of the appealed notice, the appellant's child received MassHealth Standard benefits. On or about October 1, 2024, the appellant updated his household income through his online MassHealth account. MassHealth was able to verify that the appellant earns approximately \$3609.67 in monthly income. This amounts to approximately 162% of the federal poverty level, including the 5% disregard, which led to the generation of the notice at issue. MassHealth reported that the child is a US citizen, is not a foster care youth, and does not have HIV or a disability. The MassHealth representative explained that the appellant's child's benefits changed because she moved into a different age category with her most recent birthday.

The appellant agreed with MassHealth's calculation of his income and confirmed that his child does not fall into any of the categories listed by MassHealth. He reported that his expenses have increased and that he does not believe it is fair that MassHealth does not take that into consideration.

Findings of Fact

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

1. The appellant is an adult under the age of 65 who resides in a household of three with his partner and their infant child who is between the ages of 1 and 18. Testimony, Exhibit 4.
2. The appellant's child received MassHealth Standard benefits prior to the issuance of the notice on appeal. Exhibit 4.
3. On or about October 1, 2024, the appellant updated his income with MassHealth. Exhibit 1. MassHealth verified the reported income and determined that his child was over the income limit to qualify for MassHealth Standard, but that she qualifies for MassHealth Family Assistance. *Id.* MassHealth issued a notice reflecting on that day. *Id.*
5. The appellant filed a timely notice of appeal on October 11, 2024, and Aid Pending was applied. Exhibit 2.
6. The appellant earns a gross monthly income of \$3609.67 in wages. Testimony.

7. The appellant's child is not a foster care youth, does not have HIV, and has not been deemed disabled by the Social Security Administration nor by MassHealth. Testimony

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 for individuals who are under age 65 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. In this case, the appellant's child is between the ages of 1 and 18. Thus, she meets the categorical requirements to qualify for MassHealth Standard and Family Assistance.

The question then remains as to whether she meets the income requirements to qualify for either benefit.

A child between the age of 1 through 18 is financially eligible for MassHealth Standard if “the modified adjusted gross income of the MassHealth MAGI household is less than or equal to 150% of the federal poverty level.” 130 CMR 505.002(C)(1)(a). Children who are citizens are eligible for MassHealth Family Assistance if the “modified adjusted gross income of the MassHealth MAGI household is greater than 150 and less than or equal to 300% of the federal poverty level.” 130 CMR 505.005(A)(1). To determine financial eligibility pursuant to 130 CMR 506.007, MassHealth must construct a household as described, in relevant part, in 130 CMR 506.002(B) for each individual person applying for or renewing coverage:

(2) Individuals Claimed as a Tax Dependent on Federal Income Taxes.

(a) For an individual who expects to be claimed as a tax dependent by another taxpayer for the taxable year in which the initial determination or renewal of eligibility is being made and who does not otherwise meet the Medicaid exception rules as described in 130 CMR 506.002(B)(2)(b)1., 2., or 3., the household consists of

1. the individual;
2. the individual’s spouse, if living with them;
3. the taxpayer claiming the individual as a tax dependent;
4. any of the taxpayer’s tax dependents; and
5. if any individual described in 130 CMR 506.002(B)(2)(a)1. through 4. is pregnant, the number of expected children.

Here, the appellant does not dispute that his child resides in a household of three. Based on 2024 MassHealth Income Standards and Federal Poverty Guidelines, 150% of the federal poverty level equates to a monthly income of \$3228.00 for a household of three, while 300% is \$6455.00. See *chart* at <https://www.mass.gov/doc/2024-masshealth-income-standards-and-federal-poverty-guidelines-0/download>.

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.

Per 130 CMR 506.003(A), countable income includes, in relevant part, “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.”

In this case, the parties agree that the appellant earns \$3609.67 gross monthly income. As that amount exceeds 150% of the federal poverty level based on the income standards for 2024, even less the 5% federal poverty level deduction, and the appellant’s child has no health condition that would change her applicable income standard, the appellant is not financially eligible for MassHealth Standard. Because the monthly income is less than 300% of the federal poverty level, I find that MassHealth did not err in issuing the October 1, 2024, notice downgrading the appellant’s child’s benefits from MassHealth Standard to Family Assistance.

To the extent that the appellant argues that the MassHealth regulations are unfair, this fair hearing offers him no mechanism for a remedy, and the appellant should seek relief in the courts. See 130 CMR 610.082(C) (“If the legality of such law or regulations is raised by the appellant, the hearing officer must render a decision based on the applicable law or regulation as interpreted by the MassHealth agency...[and] cannot rule on the legality of such law or regulation and [such a challenge] must be subject to judicial review in accordance with 130 CMR 610.092”).

For the foregoing reasons, the appeal is denied.

Order for MassHealth

None, except to 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.

Mariah Burns
Hearing Officer
Board of Hearings

MassHealth Representative: Sylvia Tiar, Tewksbury MassHealth Enrollment Center, 367 East Street, Tewksbury, MA 01876-1957, 978-863-9290