

# Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2415809
Decision Date:	12/16/2024	Hearing Date:	11/13/2024
Hearing Officer:	Thomas J. Goode		

Appearance for Appellant:  
Pro se

Appearance for MassHealth:  
Stacey Ridel, Springfield 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
<b>Decision Date:</b>	12/16/2024	<b>Hearing Date:</b>	11/13/2024
<b>MassHealth's Rep.:</b>	Stacey Ridel	<b>Appellant's Rep.:</b>	Pro se
<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 11, 2024, MassHealth denied Appellant's application for MassHealth benefits because MassHealth determined that Appellant's income exceeds program limits (130 CMR 505.001, 506.007 505.002 and Exhibit 1). Appellant filed this appeal in a timely manner on October 11, 2024 (130 CMR 610.015(B) and Exhibit 2). Denial of assistance is valid grounds for appeal (130 CMR 610.032).

### Action Taken by MassHealth

MassHealth denied Appellant's application for MassHealth benefits because MassHealth determined that Appellant's income exceeds program limits.

### Issue

The appeal issue is whether MassHealth was correct, pursuant to 130 CMR 505.001, 506.007, 505.002 in determining that Appellant is not MassHealth eligible.

## Summary of Evidence

The MassHealth representative testified that a job update form was mailed to Appellant on June 19, 2024, and was due by July 19, 2024. Appellant did not return the job update form to MassHealth and MassHealth Standard coverage terminated on August 8, 2024. Appellant submitted a job update by telephone on September 11, 2024, which showed an income equating to 136.86% of the federal poverty level. On September 11, 2024, MassHealth notified Appellant that she is not eligible for MassHealth benefits and is eligible for temporary Health Safety Net for 90 days pending enrollment in a Health Connector Plan. On October 11, 2024, Appellant sent new paystubs to MassHealth, which showed income equating to 156.67% of the federal poverty level. Appellant is a tax-filer and lives with her two minor children in a household size of 3. Appellant's two minor children continue to receive MassHealth Standard coverage. Appellant's most recent paystubs were reviewed and average monthly income totals \$3,478 per month. Because income exceeds 133% of the federal poverty level for a household of 3, \$2,862, Appellant was determined ineligible for MassHealth Standard, and is not eligible for other MassHealth coverage types. During a record open period, MassHealth determined that a period of Transitional Medical Assistance was not applicable because Appellant's MassHealth Standard case closed on August 8, 2024, for failure to return the job update form (Exhibit 4).

Appellant verified her household composition and employment, and testified that she started working in 2010, and is currently paid \$22 per hour and works 38 hours weekly.

## Findings of Fact

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

1. A job update form was mailed to Appellant on June 19, 2024, and was due by July 19, 2024. Appellant did not return the job update form to MassHealth and MassHealth Standard coverage terminated on August 8, 2024.
2. Appellant submitted a job update by telephone on September 11, 2024, which showed an income equating to 136.86% of the federal poverty level.
3. On September 11, 2024, MassHealth notified Appellant that she is not eligible for MassHealth benefits and is eligible for temporary Health Safety Net for 90 days pending enrollment in a Health Connector Plan.
4. On October 11, 2024, Appellant sent new paystubs to MassHealth, which show income equating to 156.67% of the federal poverty level.
5. Appellant is a tax-filer and lives with her two minor children in a household size of 3.

Appellant's two minor children continue to receive MassHealth Standard coverage.

6. Appellant has not been determined disabled, and did not report a pregnancy, diagnosis of breast or cervical cancer, or HIV.
7. Appellant's average monthly income totals \$3,478 per month.
8. 133% of the federal poverty level for a household of 3 is \$2,862.

## **Analysis and Conclusions of Law**

MassHealth provides access to healthcare by determining eligibility for the coverage type that provides the most comprehensive benefits. (130 CMR 501.003(A)). MassHealth offers several coverage types. (130 CMR 501.003(B)). The coverage type for which an individual is eligible is based on their income and circumstances. (130 CMR 515.003(B)).

Regulation 130 CMR 505.000 explains the categorical requirements and financial standards that must be met to qualify for a MassHealth coverage type (130 CMR 505.001). As described in 130 CMR 505.001, the MassHealth coverage types are as follows:

- (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 21 through 64 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 (MSP, also called Senior Buy-in and Buy-in) – for certain Medicare beneficiaries

Pursuant to 130 CMR 506.003, countable household 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.

MassHealth allows the following deductions from countable income when determining MAGI:

- (1) educator expenses;
- (2) reservist/performance artist/fee-based government official expenses;
- (3) health savings account;
- (4) moving expenses;
- (5) self-employment tax;
- (6) self-employment retirement account;
- (7) penalty on early withdrawal of savings;
- (8) alimony paid to a former spouse;
- (9) individual retirement account (IRA);
- (10) student loan interest<sup>1</sup>; and
- (11) higher education tuition and fees. (130 CMR 506.003(D)).

Appellant did not submit evidence of expenses corresponding to the allowable deductions enumerated at (130 CMR 506.003(D)). Countable income includes the total amount of taxable earned income described in 130 CMR 506.003(A) in addition to unearned income described in 130 CMR 506.003(B) less deductions described in 130 CMR 506.003(D)). Income of all the household members forms the basis for establishing an individual's eligibility (130 CMR 506.007). Here, earned income from Appellant alone forms the basis for establishing eligibility for MassHealth. In determining monthly income, MassHealth averages weekly income by 4.333 (130 CMR 506.007(A)).<sup>2</sup> 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)). Appellant's average countable monthly income of \$3,478 places Appellant at 156% of the federal poverty level [ $\$3,478 - \$107.6^3 = \$3,370.4$ ] [ $\$3,370.4 \div \$2,152 = 156\%$ ]. MassHealth correctly determined that Appellant's countable income exceeds 133% of the federal poverty level for a household size of 3 [ $\$2,862$ ] making Appellant ineligible for MassHealth Standard (130 CMR 505.002(C)). Appellant is not categorically eligible for any other MassHealth coverage types (130 CMR 505.001).

Regulation 130 CMR 505.002(L) Extended Eligibility states:

- (3) Members of a MassHealth MAGI household who receive MassHealth Standard (whether or not they receive TAFDC) and have earnings that raise the MassHealth

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<sup>1</sup> Appellant listed \$270 monthly student loans in addition to living expenses but has not submitted to MassHealth a tax return showing student loan interest paid to allow MassHealth to factor the deduction in determining financial eligibility.

<sup>2</sup> MassHealth based income on the most recent August 15, 2024 paystub showing Federal taxable income of  $\$802.80 \times 4.333 = \$3,478$  monthly. Averaging all 4 paystubs submitted yields  $\$3,342.67$ ; and applying the same calculation yields income over the income limit:  $\$3,342.67 - 107.6 = \$3,235.07 / \$2,152 = 150\%$  (Exhibit 2, pp. 2-5).

<sup>3</sup> 5% of \$2,152.

MAGI household's modified adjusted gross income above 133% of the federal poverty level (FPL) continue to receive MassHealth Standard for a full 12-calendar-month period that begins with the date on which the members MAGI exceeds 133% of the federal poverty level (FPL) if

- (a) the MassHealth household continues to include a child younger than 19 years old living with the parent or caretaker;
- (b) a parent or caretaker relative continues to be employed;
- (c) the parent or caretaker relative complies with 130 CMR 505.002(M); and
- (d) the member is a citizen or a qualified noncitizen.

It is unclear when Appellant's income first exceeded 133% of the federal poverty level as she started working in 2010. However, because Appellant did not timely return the job update form causing her Standard coverage to close on August 8, 2024. Appellant was not receiving Standard coverage when her income was updated on September 11, 2024. Therefore, MassHealth was correct in not applying a 12-month TMA extension.

For the foregoing reasons, MassHealth's action is upheld, and the appeal is DENIED. Appellant can direct any questions about the Health Connector to 1-877-623-6765 and can direct any question about the Health Safety Net to 877-910-2100.

## **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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Thomas J. Goode  
Hearing Officer  
Board of Hearings

Appeals Coordinator: Dori Mathieu, Springfield MassHealth Enrollment Center, 88 Industry Avenue, Springfield, MA 01104