

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2416052
Decision Date:	11/18/2024	Hearing Date:	11/12/2024
Hearing Officer:	Mariah Burns		

Appearance for Appellant:
Pro se

Appearance for MassHealth:
Eva Zoldziewski, Springfield 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:	11/18/2024	Hearing Date:	11/12/2024
MassHealth's Rep.:	Eva Zoldziewski	Appellant's Rep.:	Pro se
Hearing Location:	Remote	Aid Pending:	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 2, 2024, MassHealth denied the appellant's renewal application for MassHealth benefits because MassHealth determined that the appellant's income is too high. *See* 130 CMR 505.008 and Exhibit 1. The appellant filed this appeal in a timely manner on October 18, 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 denied the appellant's renewal application for MassHealth benefits.

Issue

The appeal issue is whether MassHealth correctly calculated the appellant's income in determining that she is not eligible for benefits.

Summary of Evidence

The appellant is an adult under the age of 65 who resides in a household of one. MassHealth was

represented by a worker from the Springfield MassHealth Enrollment Center. The following is a summary of the evidence and testimony provided at the hearing:

The appellant submitted a renewal application on or about October 1, 2024. On that day, MassHealth determined that the appellant was over the income limit to qualify and denied that application. The MassHealth representative reported that the appellant self-attested to earning \$50,000 per year and approximately \$1040.00 per week. MassHealth also used a paystub from January 2024 to verify that the appellant earned \$3390.33 in gross monthly wages, which is approximately 270% of the federal poverty level for a household of one.

The appellant testified that she earns approximately \$50,000 per year in base salary, without overtime. She reported that she is not HIV positive, does not have breast or cervical cancer, is not pregnant, and does not have a disability. In support of the hearing, she submitted a number of bills for which she is responsible, including expenses she is taking on to financially support her father. Among the documents provided were information regarding her student loans, though the documents provided no information regarding accrued interest. See Exhibit 5 at 5-9.

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 one. Testimony, Exhibit 4.
2. On or about October 1, 2024, the appellant submitted a renewal application for MassHealth benefits. Testimony.
4. On October 2, 2024, MassHealth determined that the appellant's income exceeds the limit allowed to qualify for benefits and issued a notice reflecting as such. Testimony, Exhibit 1.
5. The appellant filed a timely notice of appeal on October 18, 2024. Exhibit 2.
6. The appellant earns a gross yearly income of at least \$50,000 in wages. Testimony.
7. The appellant is not HIV positive, does not have breast or cervical cancer, is not pregnant, and does not have a disability. 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 for

individuals who are under age 65. 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) *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 is over the age of 21 but under 65, is not the caretaker of a minor child, and did not report any of the listed health conditions. Thus, as she does not belong to a category to qualify for MassHealth Standard, she meets the categorical requirements for MassHealth CarePlus. The question then remains as to whether she meets the income requirements to qualify.

An individual between the ages of 21 and 64 who does not qualify for MassHealth Standard is eligible for MassHealth CarePlus if “the modified adjusted gross income of the MassHealth MAGI household is less than or equal to 133% of the federal poverty level.” 130 CMR 505.008(A)(2). 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:

(1) Taxpayers Not Claimed as a Tax Dependent on His or Her Federal Income Taxes. For an individual who expects to file a tax return for the taxable year in which the initial determination or renewal of eligibility is being made and who is not claimed as a tax dependent by another taxpayer, the household consists of

- (a) the taxpayer; including his or her spouse, if the taxpayers are married and filing jointly regardless of whether they are living together;
- (b) the taxpayer's spouse, if living with him or her regardless of filing status;
- (c) all persons the taxpayer expects to claim as tax dependents; and
- (d) if any woman described in 130 CMR 506.002(B)(1)(a) through (c) is pregnant, the number of expected children.

Here, the appellant does not challenge that she resides in a household of one. Based on 2024 MassHealth Income Standards and Federal Poverty Guidelines, 133% of the federal poverty level equates to a yearly income of \$20,040.00 for a household of that size. 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 "wages, salaries, tips, commissions, and bonuses."

Certain deductions can be made to the calculation of an individual's MAGI countable income. An

extensive list can be found at 130 CMR 506.003(D) and includes “student loan interest.” *Id.* at 506.003(D)(10).

In this case, the appellant submitted paystubs that reflect that she earns approximately \$50,000.00 in total gross yearly income. Additionally, the documents she submitted regarding her student loans provides no information on how much interest she accrues in a month, so she has not demonstrated what, if any, deduction to which she would be entitled . See Exhibit 5 at 5-9. Although her arguments regarding her financial situation are sympathetic, MassHealth generally does not take an individual’s expenses into account; an applicant’s financial eligibility is typically based solely on their gross income. As the appellant’s reported income exceeds 133% of the federal poverty level based on the income standards for 2024, the appellant is not financially eligible for MassHealth benefits beyond the Health Safety Net. I find that MassHealth did not err in issuing the October 2, 2024, notice denying the appellant’s application for benefits.

For the foregoing reasons, the appeal is denied.

The 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.

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.

Mariah Burns
Hearing Officer
Board of Hearings

MassHealth Representative: Dori Mathieu, Springfield MassHealth Enrollment Center