

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2417490
Decision Date:	01/28/2025	Hearing Date:	12/16/2024
Hearing Officer:	Cynthia Kopka		

Appearance for Appellant:



Appearance for MassHealth:

Shanell Santiago, Tewksbury (virtual)



*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:	Community eligibility, under 65, income
Decision Date:	01/28/2025	Hearing Date:	12/16/2024
MassHealth's Rep.:	Shanell Santiago	Appellant's Rep.:	██████
Hearing Location:	Tewksbury	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

By notice dated October 20, 2024, MassHealth determined Appellant was not eligible for a MassHealth benefit and approved Appellant for Health Safety Net. Exhibit 1. Appellant filed this appeal in a timely manner on November 13, 2024. Exhibit 2. 130 CMR 610.015(B). Denial of assistance is a valid basis for appeal. 130 CMR 610.032.

Action Taken by MassHealth

MassHealth determined Appellant was not eligible for a MassHealth benefit.

Issue

The appeal issue is whether MassHealth was correct in determining that Appellant was not eligible for a MassHealth benefit.

Summary of Evidence

The MassHealth representative appeared virtually via Teams and testified as follows. On October 20, 2024, MassHealth automatically renewed Appellant's application based on income information that could be electronically verified with a data match. Appellant is in a household of one and under 65. Appellant is employed and earns \$962.40 biweekly. MassHealth calculated that Appellant's monthly income of \$1,950.30 put her at 161.18% of the federal poverty level (FPL) for a household of one. The MassHealth representative testified that to qualify as a household of one, Appellant's income would have to be at or below \$1,670 per month. Appellant is eligible for a subsidized Connector Care Type 2B plan through the Health Connector. Appellant is also eligible for partial Health Safety Net.

Appellant appeared in person with her representative and testified as follows. Appellant's hours had recently changed at work and the monthly income MassHealth cited was no longer correct. Appellant testified that she works 25 hours per week at \$16 per hour. The MassHealth representative updated the system and notified Appellant that her application was in a pending status for income verification. Appellant would have a deadline to submit proof of income by March 16, 2025. Appellant's income was still too high for MassHealth, but her Health Connector eligibility may be more favorable now that her income was lower.

Appellant testified that she cannot afford the Health Connector monthly plans, given her necessary monthly expenses. Appellant requires emergency dental work and asked for assistance finding a dentist who takes Health Safety Net while she awaits enrolling in a Connector plan.

Findings of Fact

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

1. Appellant is in a household of one and under the age of 65.
2. On October 20, 2024, MassHealth determined Appellant was not eligible for a MassHealth benefit based on her household income, and approved Appellant for partial Health Safety Net. Exhibit 1.
3. Appellant filed this timely appeal on November 13, 2024. Exhibit 2.
4. At hearing, Appellant testified that her current income is lower than in the past, as she now only works 25 hours per week at \$16 per hour.
5. In 2024, the monthly FPL for a household of one was \$1,255; 133% of the FPL was \$1,670.

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 MassHealth coverage type. 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) 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 – for certain Medicare beneficiaries.

130 CMR 505.001(A).

In order to establish eligibility for MassHealth benefits, applicants must meet both the categorical and financial requirements. MassHealth determines financial eligibility based on an applicant's modified adjusted gross income. MassHealth takes 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) and subtracts deductions described in 130 CMR 506.003(D). 130 CMR 506.007. Per 130 CMR 506.003, the regulatory definitions of earned income, unearned income and deductions are as follows:

(A) Earned Income.

- (1) Earned income is 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.
- (2) Earned taxable income for the self-employed is the total amount of taxable annual income from self-employment after deducting annual business expenses listed or allowable on a U.S. Individual Tax Return. Self-employment income may

be a profit or a loss.

(3) Earned income from S-Corporations or Partnerships is the total amount of taxable annual profit (or loss) after deducting business expenses listed or allowable on a U.S. Individual Tax Return.

(4) Seasonal income or other reasonably predictable future income is taxable income derived from an income source that may fluctuate during the year. Annual gross taxable income is divided by 12 to obtain a monthly taxable gross income with the following exception: if the applicant or member has a disabling illness or accident during or after the seasonal employment or other reasonably predictable future income period that prevents the person's continued or future employment, only current taxable income will be considered in the eligibility determination.

(B) Unearned Income.

(1) Unearned income is the total amount of taxable income that does not directly result from the individual's own labor after allowable deductions on the U.S. Individual Tax Return.

(2) Unearned income may include, but is not limited to, social security benefits, railroad retirement benefits, pensions, annuities, certain trusts, interest and dividend income, state or local tax refund for a tax you deducted in the previous year, and gross gambling income.

(C) Rental Income. Rental income is the total amount of taxable income less any deductions listed or allowable on an applicant's or member's U.S. Individual Tax Return.

(D) Deductions. 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.

An adult under the age of 64 is eligible for MassHealth's Standard (as a parent) or CarePlus benefit if their income at or below 133% of the FPL. 130 CMR 505.002(C)(1)(a) or 505.008(A)(2)(c). MassHealth determines monthly income by multiplying weekly income by 4.333. 130 CMR 506.007(A)(2)(c).

At hearing, Appellant testified that her income was not as high as MassHealth had verified, but that she only works 25 hours per week at \$16 per hour ($25 \times \$16 = \400 per week). Multiplied by 4.333, Appellant's monthly gross income is \$1,733.20. This is higher than the 133% limit to qualify for MassHealth (\$1,670) for a household of one. Accordingly, Appellant's income is too high to qualify for a MassHealth benefit. Appellant is eligible for a Health Connector plan. 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.

This appeal is DENIED. However, Appellant may note that in January, 2025, the FPL was updated and 133% of the FPL for a household of one is now \$1,734. Appellant may be eligible for MassHealth upon submitting her updated paystubs.

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.

Cynthia Kopka
Hearing Officer
Board of Hearings

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