

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2418034
Decision Date:	01/02/2025	Hearing Date:	12/24/2024
Hearing Officer:	Scott Bernard		

Appearance for Appellant:




Appearance for MassHealth:

Dianne Braley (Taunton MEC) *via* telephone



*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-Over 65/Income/Assets
Decision Date:	01/02/2025	Hearing Date:	12/24/2024
MassHealth's Rep.:	Dianne Braley	Appellant's Rep.:	
Hearing Location:	Taunton MassHealth Enrollment Center	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 November 12, 2024, MassHealth informed the appellant that his coverage would change to Senior Buy-In because his income and/or assets exceeded the limits for MassHealth Standard. (See 130 CMR 519.002; 519.010; and Exhibit (Ex.) 1). The appellant filed this appeal in a timely manner on November 25, 2024. (See 130 CMR 610.015(B) and Ex. 2). Denial of assistance is valid grounds for appeal (see 130 CMR 610.032).

Action Taken by MassHealth

MassHealth determined that the appellant was not eligible for MassHealth benefits because he had more countable assets than MassHealth permitted.

Issue

The appeal issue is whether MassHealth was correct, pursuant to 130 CMR 520.003 and 520.004 in determining that the appellant had more countable assets than MassHealth benefits permitted.

Summary of Evidence

An eligibility worker from the Taunton MassHealth Enrollment Center (MEC) represented MassHealth. The appellant represented himself. All the hearing participants attended the hearing by telephone.

At the hearing, the MassHealth representative stated the following. In order to be eligible for MassHealth, an applicant over the age of 65 must have a household gross monthly income (GMI) that does not exceed 100% of the Federal Poverty Level (FPL) for their household size. (Testimony). For a household of two, the household's GMI cannot exceed \$1,704. (Testimony). Additionally, if the applicant is living with his spouse, the value of their combined assets cannot exceed \$3,000. (Testimony).

The appellant is over the age of 65 years old. (Testimony; Ex. 3). The appellant had received MassHealth Standard with a Buy-In benefit from July 1, 2016. (Testimony; Ex. 3). The appellant resides in a household of two, consisting of himself and his spouse. The appellant's spouse has monthly gross earned income of \$2,621.00 and the appellant receives gross unearned income of \$619.00 a month for total gross monthly income of \$3,240.00. (Exhibit 5, p. 7). The income limit for MassHealth Standard is 100% of the federal poverty level, or \$1,704.00 a month for a family of two. The value of the household's combined assets was \$3,985.15, which included a life insurance policy with a cash surrender value of \$676.29 and a bank account balance of \$3,308.86. (Testimony; Ex. 1; Ex. 5, p. 11). The appellant's household exceeded the \$3,000 asset limit for married applicants by \$985.15. (Testimony; Ex. 1; Ex. 5, p. 11). Based on income and assets, the appellant was no longer eligible for the MassHealth Standard with Buy-In coverage he had been receiving. (Testimony). Because the appellant continued to be entitled to hospital benefits under Medicare Part A; had household countable income less than or equal to 190% of the FPL; and met the universal requirements of MassHealth benefits under 130 CMR 517.000 the appellant was determined eligible for the Medicare Savings Plan (Buy-In) for Qualified Medicare Beneficiaries (MSP-QMB). (Testimony; Ex. 3; Ex. 5, p. 10). The appellant's MassHealth Standard ended on November 26, 2024, and his MSP-QMB was effective from December 1, 2024. (Testimony; Ex. 1; Ex. 3).

The appellant testified to the following. He did not understand the reasons for his being over the asset limit, particularly concerning the life insurance policy. (Testimony). He stated that the life insurance policy was for his wife and would not have value unless she passed away. (Testimony). The MassHealth representative explained that the life insurance policy was a whole life insurance policy and therefore did have a cash surrender value, which meant that it was a countable asset. (Testimony). The appellant also stated that he did not understand how he and his wife would be able to subsist if they were only receiving \$1,704 per month. (Testimony).

The MassHealth representative stated that the appellant does have a disability determination. (Testimony). For that reason, he may be eligible to receive MassHealth CommonHealth as a

working disabled person if he was willing and able to work for forty hours per month. (Testimony). She stated that CommonHealth provided the same level of coverage as MassHealth Standard but did not have an income limit. (Testimony). The MassHealth representative suggested that the appellant contact her after the hearing to discuss this in greater detail. (Testimony).

Findings of Fact

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

1. In order to be eligible for MassHealth, an applicant over the age of 65 must have a household GMI that does not exceed 100% of the FPL for their household size. (Testimony).
2. For a household of two, the GMI cannot exceed \$1,704. (Testimony).
3. Additionally, if the applicant is living with his spouse, the value of their combined assets cannot exceed \$3,000. (Testimony).
4. The appellant is over the age of 65 years old. (Testimony; Ex. 3).
5. The appellant had received MassHealth Standard with a Buy-In from July 1, 2016. (Testimony; Ex. 3).
6. The appellant resides in a household of two, consisting of himself and his spouse. (Testimony; Ex. 5, pp. 1, 5).
7. The appellant's household receives a GMI of \$3,240 consisting of his spouse's earned and the appellant's unearned income. (Testimony; Ex. 5, p. 7).
8. The value of the household's combined assets was \$3,985.15, which included a life insurance policy with a cash surrender value of \$676.29 and a bank account balance of \$3,308.86. (Testimony; Ex. 1; Ex. 5, p. 11).
9. As a result, the appellant's household exceeded the \$3,000 asset limit for married applicants by \$985.15. (Testimony; Ex. 1; Ex. 5, p. 11).
10. Therefore, the appellant was no longer eligible for the MassHealth Standard with Buy-In coverage he had been receiving. (Testimony; Ex. 1).
11. Because the appellant continued to be entitled to hospital benefits under Medicare Part A; had household countable income less than or equal to 190% of the FPL; and met the universal requirements of MassHealth benefits under 130 CMR 517.000 the appellant was determined eligible for MSP-QMB. (Testimony; Ex. 3; Ex. 5, p. 10).

12. The appellant's MassHealth Standard ended on November 26, 2024, and his MSP-QMB was effective from December 1, 2024. (Testimony; Ex. 1; Ex. 3).

Analysis and Conclusions of Law

Married, noninstitutionalized individuals who are not parents and caretaker relatives of children younger than 19 years old and who are 65 years of age and older may establish eligibility for MassHealth Standard coverage provided the countable income amount of the couple is less than or equal to 100% of the federal poverty level; and the countable assets of a married couple living together are \$3,000 or less. (130 CMR 519.005(A)). If these individuals' income, assets, or both exceed the income and/or asset standards, they may establish eligibility for MassHealth by reducing their assets, meeting a deductible, or both. (130 CMR 519.005(B); 520.004; 520.028 through 520.035).

Medicare Saving Program (Buy-in) Qualified Medicare Beneficiary (MSP-QMB) coverage is available to Medicare beneficiaries who are entitled to hospital benefits under Medicare Part A; have a countable income amount (including the income of the spouse with whom he or she lives) that is less than or equal to 190% of the federal poverty level; and meet the universal requirements to MassHealth benefits as described in 130 CMR 517.000.

Community Earned-income Deductions In addition to business expenses described at 130 CMR 520.010(A) and (B), the MassHealth agency allows the following deductions from the gross earned income of each employed individual or married couple living in the community. These deductions do not apply to the income of a community spouse, as described at 130 CMR 520.026(B). Standard earned-income deductions are applied in the following order:

(A) \$20, if there is no unearned income or, if there is unearned income that is less than \$20, the balance of the \$20 is disregarded from earned income;

(B) the next \$65 a month of earned income; and

(C) one-half of the remaining earned income.

(130 CMR 520.012)

The record shows that the appellant is living in the community with his spouse. The value of the household's combined assets was \$3,985.15, which includes a life insurance policy with a cash surrender value of \$676.29 and a bank account balance of \$3,308.86. The appellant's spouse has monthly gross earned income of \$2,621.00. (Exhibit 5, p. 7). After taking the deductions set forth in 130 CMR 520.012, the appellant's spouse's countable monthly earned income is \$1,278.00. The appellant receives gross unearned income of \$619.00 a month. (Exhibit 5, p. 7). After deducting the MassHealth unearned income deduction of \$20, the appellant's countable monthly income is \$599.00. The couple's combined countable monthly income is \$1,877.00, or 110% of the federal

poverty level for a family of two. As stated above, the monthly income limit for a two person household is 100% of the federal poverty level, or \$1,704 for a household of two. The asset limit for a married couple living together in the community is \$3,000. The appellant is over the asset and income limit for MassHealth Standard. The record does not show that the appellant reduced his assets below the \$3,000 limit nor does it show that he has met the deductible. The appellant is not presently eligible for MassHealth Standard.

The record shows that the appellant was correctly determined eligible for MSP-QMB. The appellant is entitled to hospital benefits under Medicare Part A. The appellant's combined household income was less than 190% of the FPL per married couple. (See 130 CMR 520.013(A)). The appellant met the universal requirements to receive MassHealth benefits.

For the above reasons, the appeal is DENIED.

Order for MassHealth

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.

Scott Bernard
Hearing Officer
Board of Hearings

Cc:

Justine Ferreira, Taunton MassHealth Enrollment Center, 21 Spring St., Ste. 4, Taunton, MA 02780