

# Office of Medicaid BOARD OF HEARINGS

**Appellant Name and Address:**



<b>Appeal Decision:</b>	Denied	<b>Appeal Number:</b>	2418881
<b>Decision Date:</b>	04/01/2025	<b>Hearing Date:</b>	01/16/2025
<b>Hearing Officer:</b>	Emily Sabo	<b>Record Open to:</b>	02/18/2025

**Appearance for Appellant:**




**Appearance for MassHealth:**

Jacob Sommer, Charlestown 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>	Community Eligibility—Under 65; Income
<b>Decision Date:</b>	04/01/2025	<b>Hearing Date:</b>	01/16/2025
<b>MassHealth's Rep.:</b>	Jacob Sommer	<b>Appellant's Rep.:</b>	
<b>Hearing Location:</b>	Charlestown MassHealth Enrollment Center (Telephone)	<b>Aid Pending:</b>	Yes

### Authority

This hearing was conducted pursuant to Massachusetts General Laws Chapter 118E, Chapter 30A, and the rules and regulations promulgated thereunder.

### Jurisdiction

Through notices dated December 2, 2024, MassHealth downgraded the Appellant's two minor children from MassHealth Standard to the Children's Medical Security Plan, effective January 31, 2025 due to the children no longer meeting MassHealth's continuous coverage rules. 130 CMR 505.002 and Exhibit 1. The Appellant filed this appeal in a timely manner on December 10, 2024. 130 CMR 610.015(B) and Exhibit 2. A change in the amount or scope of assistance is valid grounds for appeal. 130 CMR 610.032.

### Action Taken by MassHealth

MassHealth downgraded the Appellant's two minor children from MassHealth Standard to the Children's Medical Security Plan.

## Issue

The appeal issue is whether MassHealth was correct, pursuant to 130 CMR 505.002, in determining that the Appellant's children were no longer eligible for MassHealth Standard.

## Summary of Evidence

The hearing was held by telephone. The MassHealth representative testified that the Appellant has a household size of four, consisting of two adults and two children. The MassHealth representative testified that the two children had their MassHealth Standard coverage continued from November 2023 to November 30, 2024, but that the children were no longer eligible for the benefit because the household income is too high to qualify and is 313% of the federal poverty level.<sup>1</sup>

The Appellant verified the identity of her two minor children. The Appellant testified that their family has many expenses and is living paycheck to paycheck. The Appellant testified that they have expenses including rent, daycare, commuting, groceries, retirement and student loan payments and they are trying to do their best. The Appellant testified that her husband already pays \$300/month for health insurance. The Appellant testified that other health insurance was unaffordable and that she is an engineer and did not want to stop working. The Appellant testified that the household's income is the same as it was in 2023.

The record was held open for the Appellant to provide updated income and deduction information. Exhibit 5. The MassHealth representative stated that the Appellant's application was updated and there was an income match, but that it was still too high for the children to receive MassHealth Family Assistance. Exhibit 6. The MassHealth representative stated that the updated household income is \$9,137.16/month, which is 346.43% of the federal poverty level. Exhibit 7.

## Findings of Fact

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

1. The Appellant has a household size of four, including two adults and two minor children. Testimony.
2. The Appellant's two children were eligible for MassHealth Standard until November 2023, and

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<sup>1</sup> Pursuant to MassHealth Eligibility Operations Memo 24-02, "Continuous Eligibility for Certain MassHealth Members" (March, 2024): "As of January 1, 2024, MassHealth has provided 12 months of continuous eligibility for children younger than the age of 19 enrolled in Medicaid and CHIP programs. Even if a child or household experienced a change in circumstances that would otherwise make the child ineligible for benefits, their 12-month continuous eligibility period will not be affected, except as outlined in this EOM."

their MassHealth Standard benefit extended for another year of continuous coverage until November 30, 2024.<sup>2</sup> Testimony and Exhibit 4.

3. On December 2, 2024, MassHealth notified the Appellant that the Appellant's children's benefit would be downgraded from MassHealth Standard to the Children's Medical Security Plan. The notice stated that the household income was 313% of the federal poverty level. Testimony and Exhibit 1.
4. The Appellant filed a timely appeal with the Board of Hearings on December 10, 2024. Exhibit 2.
5. During the record open period, the Appellant provided updated income information, which was verified by MassHealth reflecting a household income of \$9,137.16/month, which is 346.43% of the federal poverty level. Exhibits 6 And 7.

## Analysis and Conclusions of Law

MassHealth regulations provide:

### 505.002: MassHealth Standard

#### (A) Overview.

(1) 130 CMR 505.002 contains the categorical requirements and financial standards for MassHealth Standard serving children, young adults, parents, caretaker relatives, people who are pregnant, disabled individuals, certain individuals with breast or cervical cancer, certain individuals who are HIV positive, independent foster-care adolescents, Department of Mental Health members, and medically frail as such term is defined in 130 CMR 505.008(F).

(2) Persons who receive Supplemental Security Income (SSI) benefits from the Social Security Administration (SSA) are eligible for MassHealth Standard.

(3) Persons who receive Transitional Aid to Families with Dependent Children (TAFDC) cash assistance from the Department of Transitional Assistance (DTA) are eligible for MassHealth Standard.

(4) Children, young adults, and parents and caretaker relatives who receive Emergency Aid to the Elderly, Disabled and Children (EAEDC) cash assistance are eligible for MassHealth Standard if they meet the citizenship and immigration requirements described at 130 CMR 504.002: *U.S. Citizens* and 130 CMR 504.003(A)(1): *Qualified Noncitizens*, (2): *Qualified Noncitizens Barred*, and (3): *Nonqualified Individuals Lawfully Present*.

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<sup>2</sup> Based on the notice, this benefit actually extended until January 31, 2025, and continued, pending appeal before the Board of Hearings because the appeal was filed before the benefit was scheduled to end. 130 CMR 610.036(A).

(5) Persons who do not otherwise meet the requirements of 130 CMR 505.002, but who meet the AFDC rules that were in effect on July 16, 1996, are eligible for MassHealth Standard.

(6) Persons eligible for MassHealth Standard coverage are eligible for medical benefits as described at 130 CMR 450.105(A): *MassHealth Standard* and 130 CMR 508.000: *MassHealth: Managed Care Requirements*.

(B) Eligibility Requirements for Children and Young Adults. Children and young adults may establish eligibility for MassHealth Standard coverage subject to the requirements described in 130 CMR 505.002(B).

....

(2) Children One through 18 Years Old.

(a) A child one through 18 years old is eligible if

1. the modified adjusted gross income of the MassHealth MAGI household is less than or equal to 150% of the federal poverty level; and
2. the child is a citizen as described in 130 CMR 504.002: *U.S. Citizens* or a lawfully present immigrant as described in 130 CMR 504.003(A): *Lawfully Present Immigrants*.

(b) Eligibility for a child who is pregnant is determined under 130 CMR 505.002(D).

....

(L) Extended Eligibility.

(1) Members of an EAEDC or TAFDC household whose cash assistance terminates continue to receive four months of MassHealth Standard coverage beginning in the month the household became ineligible if they are

- (a) terminated from EAEDC or TAFDC and are determined to be potentially eligible for MassHealth; or
- (b) terminated from TAFDC because of receipt of or an increase in spousal or child support payments.

(2) Members of a TAFDC household who become ineligible for TAFDC for employment-related reasons continue to receive MassHealth Standard for a full 12-calendar-month period beginning with the date on which they became ineligible for TAFDC if

- (a) the household continues to include a child;
- (b) a parent or caretaker relative continues to be employed; and
- (c) the parent or caretaker relative complies with 130 CMR 505.002(M).

(3) Members of a MassHealth MAGI household who receive MassHealth Standard (whether or not they receive TAFDC) and have earnings that raise the MassHealth 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.
- (4) MassHealth independently reviews the continued eligibility of the TAFDC, EAEDC, and MassHealth MAGI households at the end of the extended period described in 130 CMR 505.002(L)(1) through (3).
- (5) If an individual in a MassHealth MAGI household who receives MassHealth under 130 CMR 505.002(L)(1) or (2) had income at or below 133% of the FPL during their extended period, and now has income including earnings that raise the MassHealth MAGI modified adjusted gross income above that limit, the MassHealth MAGI household is eligible for another full 12-calendar-month period that begins with the date on which the member's 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; and
  - (c) the parent or caretaker relative complies with 130 CMR 505.002(M).
- (6) If a MassHealth MAGI household's modified adjusted gross income decreases to 133% of the FPL or below during its extended eligibility period, and the decrease is timely reported to MassHealth, the MassHealth MAGI household's eligibility for MassHealth Standard may be redetermined. If the MassHealth MAGI household's gross income later increases above 133% of the FPL, the MassHealth MAGI household is eligible for a new extended eligibility period.

130 CMR 505.002(A), (B)(2), (L).

505.005: MassHealth Family Assistance

....

(B) Eligibility Requirements for Children with Modified Adjusted Gross Income of the MassHealth MAGI Household Greater than 150% and Less than or Equal to 300% of the Federal Poverty Level. Children younger than 19 years old are eligible for MassHealth Family Assistance coverage described in 130 CMR 505.005(B) if they meet the following criteria.

- (1) Eligibility Requirements. A child is eligible if
  - (a) the child is younger than 19 years old;
  - (b) the child's 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 (FPL);
  - (c) the child is ineligible for MassHealth Standard or CommonHealth;
  - (d) the child is a citizen as defined in 130 CMR 504.002: *U.S. Citizens* or a lawfully present immigrant as defined in 130 CMR 504.003(A), or a nonqualified PRUCOL, as defined in 130 CMR 504.003(C): *Nonqualified Persons Residing under Color of Law (Nonqualified PRUCOLs)*;
  - (e) the child complies with 130 CMR 505.005(B)(2) and meets one of the following criteria:
    - 1. the child is uninsured; or

2. the child has health insurance that meets the criteria at 130 CMR 506.012: *Premium Assistance Payments*.

(2) Access to Employer-sponsored Insurance and Premium Assistance Investigations for Individuals Who Are Eligible for MassHealth Family Assistance. MassHealth may perform an investigation to determine if individuals potentially eligible for MassHealth Family Assistance

- (a) have health insurance that MassHealth can help pay for; or
- (b) have access to employer-sponsored insurance in which MassHealth wants the individual to enroll and for which MassHealth will help pay.

1. Investigations for Individuals Who Are Enrolled in Health Insurance.

a. If MassHealth determines that the health insurance the individual is enrolled in meets the criteria at 130 CMR 506.012: *Premium Assistance Payments*, the individual is notified in writing that MassHealth will provide MassHealth Family Assistance Premium Assistance Payments as described at 130 CMR 450.105(G)(1): *Premium Assistance* and 130 CMR 506.012: *Premium Assistance Payments*.

b. If MassHealth determines that the health insurance the individual is enrolled in does not meet the criteria at 130 CMR 506.012: *Premium Assistance Payments*, the individual continues to be eligible for MassHealth Family Assistance.

2. Investigations for Individuals Who Have Potential Access to Employer-sponsored Health Insurance (ESI).

a. If MassHealth determines the individual has access to employer-sponsored health insurance, the employer is contributing at least 50% of the premium cost, and the insurance meets all other criteria described at 130 CMR 506.012: *Premium Assistance Payments*, the individual is notified in writing that they must enroll in this employer-sponsored coverage that meets the criteria described in 130 CMR 506.012: *Premium Assistance Payments*. MassHealth allows the individual up to 60 days to enroll in this coverage. Once enrolled in this health insurance plan, MassHealth provides MassHealth Family Assistance Premium Assistance Payments as described in 130 CMR 450.105(G)(1): *Premium Assistance* and 130 CMR 506.012: *Premium Assistance Payments*. Failure to enroll in the employer-sponsored health insurance plan at the request of MassHealth will result in the loss or denial of eligibility.

b. If MassHealth determines the individual does not have access to employer-sponsored health insurance, the individual continues to be eligible for MassHealth Family Assistance.

130 CMR 505.005(B).

522.004: Children's Medical Security Plan (CMSP)

(A) Regulatory Authority. The Children's Medical Security Plan (CMSP) is administered pursuant to M.G.L. c. 118E, §10F.

(B) Overview. CMSP provides coverage to uninsured children younger than 19 years old who do not qualify for any other MassHealth coverage type, other than MassHealth Limited, and who do not have physician and hospital health-care coverage. To apply for these benefits, an applicant must submit an application as described in 130 CMR 502.001: *Application for Benefits* and 502.002: *Reactivating the Application*.

(C) Eligibility Requirements. Children are eligible for CMSP if they are

- (1) a resident of Massachusetts, as defined in 130 CMR 503.002: *Residence Requirements*;
- (2) younger than 19 years old;
- (3) not otherwise eligible for any other MassHealth coverage type, other than MassHealth Limited. Children who are otherwise eligible and who are not receiving MassHealth coverage as a result of not complying with administrative requirements of MassHealth are not eligible for CMSP. Children who lose eligibility for MassHealth Family Assistance as a result of nonpayment of premiums or as a result of not enrolling in employer-sponsored health insurance through Premium Assistance are not eligible for CMSP; and
- (4) uninsured. An applicant or member is uninsured if he or she
  - (a) does not have insurance that provides physician and hospital health-care coverage;
  - (b) has insurance that is in an exclusion period; or
  - (c) had insurance that has expired or has been terminated.

(D) Premiums. The premium schedule and payment policies for CMSP are described in 130 CMR 506.011: *MassHealth and the Children's Medical Security Plan (CMSP) Premiums*.

(E) Copayments. Members are required to pay copayments for certain covered services. There are no required copayments for preventive and diagnostic services. No member will be exempt from copayment requirements.

- (1) The copayments for prescription drugs are
  - (a) \$3 for each generic drug prescription; and
  - (b) \$4 for each brand-name drug prescription.
- (2) The copayments for dental services are
  - (a) \$2 for members with modified adjusted gross income of the MassHealth MAGI household equal to or below 199.9% of the federal poverty level (FPL);
  - (b) \$4 for members with modified adjusted gross income of the MassHealth MAGI household between 200.0% to 400.0% FPL; and
  - (c) \$6 for members with modified adjusted gross income of the MassHealth MAGI household equal to or greater than 400.1% FPL.



- (3) The copayments for medical (nonpreventive visits) and mental health services are
- (a) \$2 for members with modified adjusted gross income of the MassHealth MAGI household equal to or below 199.9% FPL;
  - (b) \$5 for members with modified adjusted gross income of the MassHealth MAGI household between 200.0% to 400.0% FPL; and
  - (c) \$8 for members with modified adjusted gross income of the MassHealth MAGI household equal to or greater than 400.1% FPL.

(F) Medical Coverage Date. Except as provided at 130 CMR 522.004(H), coverage begins on the date of the final eligibility determination. The time standards for determining and redetermining eligibility are described at 130 CMR 502.005: *Time Standards for an Eligibility Determination* and 502.007: *Eligibility Review*.

(G) Benefits Provided. Benefits provided are described at M.G.L. c. 118E, §10F. Included benefits are

- (1) preventive pediatric care;
- (2) sick visits;
- (3) office visits, first-aid treatment, and follow-up care;
- (4) provision of smoking prevention educational information and materials to the parent, guardian, or the person with whom the enrollee resides, as distributed by the Department of Public Health;
- (5) prescription drugs up to \$200 per state fiscal year;
- (6) urgent care visits, not including emergency care in a hospital outpatient or emergency department;
- (7) outpatient surgery and anesthesia that is medically necessary for the treatment of inguinal hernia and ear tubes;
- (8) annual and medically necessary eye exams;
- (9) medically necessary mental-health outpatient services, including substance-abuse treatment services, not to exceed 20 visits per fiscal year;
- (10) durable medical equipment, up to \$200 per state fiscal year, with an additional \$300 per state fiscal year for equipment and supplies related to asthma, diabetes, and seizure disorders only;
- (11) dental health services, up to \$750 per state fiscal year, including preventive dental care, provided that no funds will be expended for cosmetic or surgical dentistry;
- (12) auditory screening;
- (13) laboratory diagnostic services; and
- (14) radiologic diagnostic services.

(H) Enrollment Cap. The MassHealth agency may limit the number of children who can be enrolled in CMSP. When the MassHealth agency imposes such a limit, applicants will be placed on a waiting list when their eligibility has been determined. When the MassHealth agency is able to open

enrollment for CMSP, the MassHealth agency will process the applications in the order they were placed on the waiting list.

130 CMR 522.004.

To establish eligibility for MassHealth, applicants must meet both the categorical and financial requirements. To calculate financial eligibility, MassHealth regulations at 130 CMR 506.007 provide that:

(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.

(1) The MassHealth agency will construct a household as described in 130 CMR 506.002 for each individual who is applying for or renewing coverage. Different households may exist within a single family, depending on the family members' familial and tax relationships to each other.

(2) Once the individual's household is established, financial eligibility is determined by using the total of all countable monthly income for each person in that individual's MassHealth MAGI or Disabled Adult household. Income of all the household members forms the basis for establishing an individual's eligibility.

(a) 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(M).

(b) 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(D).

(c) In determining monthly income, the MassHealth agency multiplies average weekly income by 4.333.

(3) 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) Multiply the annual 100% figure posted in the *Federal Register* by the applicable federal poverty level income standard.
- (2) Round these annual figures up to the nearest hundredth.
- (3) Divide by 12 to arrive at the monthly income standards.

130 CMR 506.007.

Under 130 CMR 505.002(L)(4), MassHealth reviews the member's continued eligibility at the end of the extended period provided for in 130 CMR 505.002(L)(3). At the time of the December 2, 2024 notice, the household's income was 313% of the federal poverty level, making the children financially ineligible to continue receiving MassHealth Standard because it is greater than 150% of the federal poverty level. 130 CMR 505.002(B)(2)(a)1. During the record open period, the Appellant provided updated income information to MassHealth that the household income is \$9,137.16/month, which is 346.43% of the federal poverty level. Exhibit 7. In 2024, 150% of the federal poverty level for a household of four is \$3,900/month.<sup>3</sup> MassHealth Family Assistance is available to certain children whose household income is between 150%-300% of the federal poverty level. 130 CMR 505.005(B)(1)(b). In 2024, 300% of the federal poverty level for a household of four is \$7,800/month.<sup>4</sup> Because the Appellant's household income exceeds both 150% of the federal poverty level and 300% of the federal poverty level, the children are ineligible for MassHealth Standard and MassHealth Family Assistance, respectively. Additionally, because the household income had increased at the time of assessment in November 2023, and the children already had a period of extended eligibility for one year, they are not eligible for another period of extended eligibility. 130 CMR 505.002(L).

Accordingly, the Appellant's children do not meet the financial requirements to qualify for MassHealth Standard or MassHealth Family Assistance. While I am sorry for the struggles of the Appellant's family, MassHealth did not err in issuing the December 2, 2024 notices, and the appeal is denied.

The Appellant can direct any questions about Health Connector plans to 1-877-MA-ENROLL (1-877-623-6765).

## Order for MassHealth

Remove Aid Pending.

## Notification of Your Right to Appeal to Court

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<sup>3</sup> In 2025, this amount is \$4,019/month for a household of four. <https://www.mass.gov/doc/2025-masshealth-income-standards-and-federal-poverty-guidelines-0/download>.

<sup>4</sup> In 2025, this amount is \$8,038/month for a household of four. <https://www.mass.gov/doc/2025-masshealth-income-standards-and-federal-poverty-guidelines-0/download>.

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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Emily Sabo  
Hearing Officer  
Board of Hearings

MassHealth Representative: Thelma Lizano, Charlestown MassHealth Enrollment Center, 529 Main Street, Suite 1M, Charlestown, MA 02129