

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2418894
Decision Date:	1/29/2025	Hearing Date:	01/16/2025
Hearing Officer:	Amy B. Kullar, Esq.		

Appearance for Appellant:

Pro se

Appearances for MassHealth:

Harry Giang, Charlestown MassHealth
Enrollment Center; Gladys Pacheco, Premium
Assistance Unit



*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:	Premium Assistance
Decision Date:	1/29/2025	Hearing Date:	01/16/2025
MassHealth's Reps.:	Harry Giang; Gladys Pacheco	Appellant's Rep.:	Pro se
Hearing Location:	Charlestown MassHealth Enrollment Center - Room 1 (Telephone)	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 24, 2024, MassHealth informed the appellant that it had stopped his Premium Assistance payments. *See* Exhibit 1. The appellant filed this appeal in a timely manner on December 11, 2024. *See* 130 CMR 610.015(B) and Exhibit 2. Termination of assistance is valid grounds for appeal. *See* 130 CMR 610.032.

Action Taken by MassHealth

MassHealth stopped the appellant's Premium Assistance payments.

Issue

The appeal issue is whether MassHealth was correct in determining that the appellant no longer qualifies for MassHealth Premium Assistance payments.

Summary of Evidence

The MassHealth representative, Premium Assistance representative, and appellant all appeared at hearing via telephone. The MassHealth representative testified as follows: the appellant is under the age of [REDACTED] and has a household size of five which consists of his spouse and three minor children. In October 2024, the appellant updated his job information and income with MassHealth through his household's annual renewal.¹ This information was processed and verified; MassHealth determined the appellant's household has a Federal Poverty Level (FPL) of 152.25%. Information that the appellant provided about his employer-sponsored insurance plan generated a system notification to the MassHealth Premium Assistance Unit.

The Premium Assistance representative testified as follows: on October 24, 2024, Premium Assistance was notified that the appellant's employer-sponsored insurance plan deductibles were outside of the allowable limits and, as a result, did not meet the Basic Benefit Level. The deductible for the appellant's employer-sponsored insurance plan was \$5,950 for a family plan. The MassHealth deductible limit is \$5,900 for a family plan.² She stated that the last payment that the appellant received from Premium Assistance was for November 2024, and that payment included back payments and the amount for the appellant's December 2024 premium.

The appellant stated that he pays a lot for his insurance, \$528.00 per month. He did not think he could afford insurance without Premium Assistance. His wife is not well, she has a long-term chronic illness that does not allow her to work and she has many doctors' appointments. His employer only offers one plan and he has no choice but to accept it. His household is having difficulty making ends meet, even with Premium Assistance payments.

Findings of Fact

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

1. The appellant is an adult under the age of [REDACTED] with a household size of five and an FPL of 152.25%. Testimony.
2. Through a notice dated October 24, 2024, MassHealth informed the appellant that it had stopped his Premium Assistance payments. Testimony and Exhibit 1.

¹ No other notice is on appeal except for the October 24, 2024 Premium Assistance termination notice. The household was determined to be eligible for Partial Health Safety Net (with family deductible) on July 15, 2024 and continues to receive that benefit.

² The applicable regulation, 956 CMR 5.03(2)(b)(2), states \$2,000 for an individual and \$4,000 for a family as the deductible limit amounts, but those amounts are adjusted annually.

3. On December 11, 2024, the appellant timely appealed the notice. Exhibit 2.
4. The appellant's employer-sponsored insurance plan has a \$5,950 deductible for a family plan. Testimony.
5. The MassHealth deductible limit for 2024 is \$5,900 for a family plan. Testimony.

Analysis and Conclusions of Law

Through its Premium Assistance program, MassHealth provides financial assistance to eligible members that have access to private health insurance to help cover the cost of their health insurance premiums. See 130 CMR 506.012(C). Eligibility for this benefit is based on "the individual's coverage type and the type of private health insurance the individual has or has access to." See 130 CMR 506.012(C). Once enrolled, MassHealth issues "premium assistance payments" to the policyholder of the plan. The premium assistance payment is the amount MassHealth contributes to the cost of health insurance coverage for the member. See 130 CMR 501.001.

In regulation 130 CMR 506.012(B), MassHealth establishes the following criteria to determine eligibility for premium assistance:

(B) Criteria. MassHealth may provide a premium assistance payment to an eligible member when all of the following criteria are met.

(1) **The health insurance coverage meets the Basic Benefit Level (BBL) as defined in 130 CMR 501.001: *Definition of Terms*.** Instruments including but not limited to Health Reimbursement Arrangements, Flexible Spending Arrangements, as described in IRS Pub. 969, or Health Savings Accounts, as described at IRC § 223(c)(2), cannot be used to reduce the health insurance deductible in order to meet the basic-benefit level requirement.

(2) The health insurance policy holder is either

(a) in the PBFG; or

(b) resides with the individual who is eligible for the premium assistance benefit and is related to the individual by blood, adoption, or marriage.

(3) At least one person covered by the health-insurance policy is eligible for MassHealth benefits as described in 130 CMR 506.012(A) and the health-insurance policy is a policy that meets the criteria of the MassHealth coverage type for premium assistance benefits as described in 130 CMR 506.012(C).³

(Emphasis added)

³ 130 CMR 506.012(C) includes employer-sponsored insurance as one of the enumerated qualifying policy types.

Furthermore, 130 CMR 501.001 defines the Basic Benefit Level as follows:

(1) benefits provided under a health insurance plan that include a broad range of medical benefits as defined in the minimum creditable coverage core services requirements in 956 CMR 5.03(1)(a); **provided that the annual deductible and the annual maximum out-of-pocket costs under that plan do not exceed the maximum amounts the Massachusetts Health Connector sets for deductibles and out-of-pocket costs in order for a plan to be considered minimum creditable coverage**, as set forth at 956 CMR 5.03(2)(b)2. and 3., and 956 CMR 5.03(2)(c), respectively, and as may be illustrated in administrative bulletins published by the Massachusetts Health Connector, and as are in effect on the first day coverage under that plan begins.

(2) Exceptions.

(a) For the avoidance of doubt, instruments including, but not limited to, Health Reimbursement Arrangements, Flexible Spending Arrangements, as described in IRS Pub. 969, or Health Savings Accounts, as described at IRC § 223(c)(2), cannot be used to reduce the health insurance deductible in order to meet the basic-benefit level requirement.

(b) The MassHealth agency reserves the right to set its own annual deductible and maximum out-of-pocket limits. If the MassHealth agency deems it appropriate to set its own annual deductible and maximum out-of-pocket limits, a sub-regulatory bulletin will be issued.

(Emphasis added)

The Health Connector calculates minimum creditable coverage pursuant to 956 CMR 5.03(2)(b)(2) and (3). The regulation provides as follows:

2. any Deductible(s) for in-network Covered Services that are provided as part of the plan benefits shall not in combination exceed \$2,000 for an individual and \$4,000 for a family;

3. the dollar amounts for individuals specified in 965 CMR 5.03(2)(b)2. shall, unless the Connector Board establishes otherwise for a given calendar year, be adjusted each year by an amount equal to the product of that amount and the premium adjustment percentage for a calendar year as determined by the United States Secretary of Health and Human Services pursuant to 42 U.S.C. § 18022(c)(4). Such amounts are typically published by the Secretary in the annual Notice of Benefit and Payment Parameters regulations. If the amount of any adjustment is not a multiple of \$50, such adjustment shall be rounded down to the next lowest multiple of \$50. The dollar amounts for a family specified in 956 CMR 5.03(2)(b)2. shall be increased each year to an amount equal to twice the amount in effect for an individual, as adjusted pursuant to 956 CMR 5.03(2)(b)3...

Here, based on the notice under appeal dated October 24, 2024, the question is whether MassHealth correctly terminated the appellant's Premium Assistance benefits.

In this appeal, MassHealth's position is that the appellant does not qualify for premium assistance payments because his employer-sponsored plan does not meet the criteria specified in 130 CMR 506.012(B)(1), above. Specifically, MassHealth determined that the appellant's employee sponsored plan does not meet the BBL because his annual family deductible exceeds the maximum limit.

The deductible limit for 2024 is \$5,900 for a family plan.⁴ The appellant's employer-sponsored plan contains a \$5,950 deductible for a family plan, which exceeds this limit.

For these reasons, MassHealth's decision was correct, and the appeal is hereby DENIED.

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.

Amy B. Kullar, Esq.
Hearing Officer
Board of Hearings

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

cc: MassHealth premium assistance unit

⁴ The deductible limits can be found in the following bulletins providing guidance regarding the minimum creditable coverage regulations: <https://www.mahealthconnector.org/wp-content/uploads/AdminBulletin03-23.pdf>, last accessed on January 29, 2025.