

# Office of Medicaid BOARD OF HEARINGS

**Appellant Name and Address:**



<b>Appeal Decision:</b>	Approved in Part	<b>Appeal Number:</b>	2500957
<b>Decision Date:</b>	3/24/2025	<b>Hearing Date:</b>	02/14/2025
<b>Hearing Officer:</b>	Susan Burgess-Cox		

**Appearance for Appellant:**  
Pro se

**Appearance for MassHealth:**  
Carmen Rivera



*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>	Approved in Part	<b>Issue:</b>	Community Eligibility – Under 65
<b>Decision Date:</b>	3/24/2025	<b>Hearing Date:</b>	02/14/2025
<b>MassHealth's Rep.:</b>	Carmen Rivera	<b>Appellant's Rep.:</b>	Pro se
<b>Hearing Location:</b>	All Parties Appeared by 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 a notice dated January 3, 2025, MassHealth determined that the appellant will not get MassHealth Standard after February 28, 2025 because she was receiving benefits through a program called Transitional Medical Assistance (TMA) and the TMA period ended. (130 CMR 505.002(L)(5); Exhibit 1). The appellant filed a timely appeal on January 14, 2025. (130 CMR 610.015(B) Exhibit 2). Denial of assistance is valid grounds for appeal. (130 CMR 610.032(A)(1)).

### Action Taken by MassHealth

MassHealth notified the appellant that she will not get MassHealth Standard after February 28, 2025 because she was receiving benefits through a program called TMA and the TMA period ended. (130 CMR 505.002(L)(5); 506.000).

### Issue

Whether MassHealth was correct in determining that the appellant is no longer eligible for MassHealth Standard because her income is too high and the TMA period ended.

## Summary of Evidence

The appellant has a household of 2. The MassHealth representative testified that the appellant became eligible for the Transitional Medical Assistance (TMA) program in June 2024 as the income of her family group increased to 191.1% of the federal poverty level. The notice on appeal states that the appellant's MassHealth Standard benefits will end after February 28, 2025 because the TMA period ended.

The notice on appeal states that the appellant's household group of 2 has income at 173.07% of the federal poverty level. The MassHealth representative testified that this income includes earnings of \$700 each week or \$3,033 each month.<sup>1</sup> After applying a regulatory 5% disregard of \$85.20, the appellant's modified adjusted gross income (MAGI) of \$2,947.80 is at 173% of the federal poverty level for a household of two. The MassHealth representative testified that to be eligible for MassHealth the appellant must have MAGI less than or equal to 133% of the federal poverty level. At the time of the eligibility decision on appeal, that amount was \$2,266 for a household of two. At the time of the hearing and this decision, that amount is \$2,345 as MassHealth adjusts income standards based on annual cost of living adjustments.

The appellant did not challenge the household or income information presented by MassHealth. The appellant asked MassHealth to consider other expenses in determining eligibility. The appellant testified that it is difficult to pay for daily expenses. The appellant testified that she has medical needs and it is difficult to pay for health insurance. The appellant testified that she no longer qualifies for other benefit programs such as the Supplemental Nutrition Assistance Program (SNAP) for similar reason but would like MassHealth to consider other expenses in determining eligibility.

## Findings of Fact

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

1. The appellant is under age [REDACTED] and has a household of two.
2. The appellant became eligible for the Transitional Medical Assistance (TMA) program in June 2024 as the income of her household increased to 191.1% of the federal poverty level.
3. The notice on appeal states that the appellant's MassHealth Standard benefits will end after February 28, 2025 because the TMA period ended.

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<sup>1</sup> In determining monthly income, MassHealth multiplies average weekly income by 4.333. (130 CMR 506.007(A)).

4. The appellant's household currently has income of \$700 each week or \$3,033 each month.
5. After applying a regulatory 5% disregard of \$85.20, the appellant's modified adjusted gross income (MAGI) of \$2,947.80 is at 173% of the federal poverty level for a household of two.
6. The appellant has not been deemed disabled by MassHealth or the Social Security Administration.

## **Analysis and Conclusions of Law**

MassHealth regulations at 130 CMR 505.000 explain the categorical requirements and financial standards that must be met to qualify for MassHealth. To establish eligibility for MassHealth, applicants must meet both the categorical requirements and financial standards.

These coverage types set forth at 130 CMR 505.001(A) are as follows:

- (1) MassHealth Standard - for people who are pregnant, children, parents and caretaker relatives, young adults<sup>2</sup>, 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) MassHealth CommonHealth - for disabled adults, disabled young adults, and disabled children who are not eligible for MassHealth Standard;
- (3) MassHealth CarePlus - for adults [REDACTED] 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, CommonHealth, or CarePlus;
- (5) MassHealth 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
- (6) MassHealth Medicare Savings Programs (MSP, also called Senior Buy-In and Buy-In) for certain Medicare beneficiaries.

In this case, the appellant is over the age of [REDACTED] but under [REDACTED]. The appellant has not presented any evidence that she has any of the listed health conditions or been deemed disabled by MassHealth or the Social Security Administration. Therefore, the appellant does not qualify for MassHealth Standard or CommonHealth. The appellant does meet the categorical requirements for MassHealth CarePlus.

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<sup>2</sup> "[Y]oung adults" are defined as those aged [REDACTED]. See 130 CMR 501.001.

An individual between the ages of [REDACTED] who is categorically eligible for MassHealth CarePlus can only be financially eligible if “the individual’s 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)(c)). To determine financial eligibility pursuant to 130 CMR 506.007(A), MassHealth must construct a household as described in 130 CMR 506.002(B) for each individual who is applying for or renewing coverage. MAGI household composition rules used to determine member eligibility are the following:

- (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 individual described in 130 CMR 506.002(B)(1)(a) through (c) is pregnant, the number of expected children.

The appellant is in a household of two.

Once the individual’s household size is established, the MassHealth MAGI household income is determined by:

- (2)....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(K).
  - (b) Countable income includes earned income described in 130 CMR 506.003(A)<sup>3</sup> and unearned income described in 130 CMR 506.003(B)<sup>4</sup> less deductions

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<sup>3</sup> Pursuant to 130 CMR 506.003(A)(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. The regulations also include methods for the agency to use to calculate earned income for the self-employed, S-Corporations, Partnerships and seasonal employment. Based on the testimony and evidence presented at hearing, the appellant’s income meets this definition.

<sup>4</sup> Pursuant to 130 CMR 506.003(B), countable income includes, in relevant part, unearned income, which “may include, but is not limited to, social security benefits, railroad retirement benefits, pensions, annuities, certain trusts, interest

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. (130 CMR 506.007(A)).

The regulations at 130 CMR 506.003(D) allow MassHealth to use the following deductions when counting MAGI countable income:

- (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.

The appellant did not present evidence of meeting any of these deductions. Instead, the appellant asked MassHealth to consider household and other expenses. Since the expenses and deductions noted by the appellant do not fall within the allowable deductions enumerated in 130 CMR 506.003 (D), they cannot be considered in determining eligibility.

The appellant's income is \$3,033 each month. Five percentage points of the 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. (130 CMR 506.007(A)). At the time of the eligibility decision, 5 percentage points of the FPL for a household of two was \$85.20 each month. Deducting that amount from the appellant's income results in a MAGI of \$2,947.80. The income limit for MassHealth benefits is 133% of the FPL which was \$2,266

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and dividend income, state or local tax refund for a tax you deducted in the previous year, and gross gambling income.”

at the time of the eligibility decision and is \$2,345 as of the date of the hearing. The appellant's income exceeds these limits. Therefore, the appellant is not income eligible for MassHealth as of the date of this decision.

As noted by the MassHealth representative at hearing, the appellant was eligible for MassHealth prior to July 1, 2024 and MassHealth applied a Transitional Medical Assistance period. The MassHealth representative noted at hearing that the appellant's child was still eligible under a TMA period through June 2025. MassHealth does offer extended eligibility to certain members who receive MassHealth Standard for a period following a change in income. (130 CMR 505.002(L)).

First, 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. (130 CMR 505.002(L)(1)).

Second, 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). (130 CMR 505.002(L)(2)).

Third, 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 ■ 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. (130 CMR 505.002(L)(3))

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). (130 CMR 505.002(L)(4).

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 ■ 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). (130 CMR 505.002(L(5)).

In this case, both parties presented evidence of the appellant qualifying for 12-months of continued eligibility rather than the 8 months noted by the MassHealth representative at hearing. Neither the regulations nor the testimony or evidence presented at hearing show a reason for a child to remain eligible for 12 months and the parent or caretaker relative have coverage terminated after 8 months. The notice on appeal states that the decision is based upon the regulations at 130 CMR 505.002(L)). This section of the regulations allows for another full 12-calendar month period that begins on the date on which the member's MAGI exceeds 133% of the federal poverty level if the member meets certain circumstances. In this case, it does not appear that the agency took correct action in determining a TMA period. This appeal is approved in part to ensure that the appellant receives the full 12-months of continued eligibility.

## **Order for MassHealth**

Determine the appellant eligible for MassHealth Standard until July 1, 2025.

## **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.

## **Implementation of this Decision**

If this decision is not implemented within 30 days after the date of this decision, you should

contact your MassHealth Enrollment Center. If you experience problems with the implementation of this decision, you should report this in writing to the Director of the Board of Hearings, at the address on the first page of this decision.

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Susan Burgess-Cox  
Hearing Officer  
Board of Hearings

MassHealth Representative: Quincy MEC, Attn: Appeals Coordinator, 100 Hancock Street, 6th Floor, Quincy, MA 02171