

**Office of Medicaid
BOARD OF HEARINGS**

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2501512
Decision Date:	4/15/2025	Hearing Date:	02/24/2025
Hearing Officer:	Kimberly Scanlon		

Appearance for Appellant:
Pro se

Appearance for MassHealth:
Katelyn Costello – Quincy 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

Appeal Decision:	Denied	Issue:	Eligibility; Under 65; Downgrade; Over income
Decision Date:	4/15/2025	Hearing Date:	02/24/2025
MassHealth's Rep.:	Katelyn Costello	Appellant's Rep.:	Pro se
Hearing Location:	Quincy Harbor South 6 (Remote)	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 January 9, 2025, MassHealth notified the appellant that her benefits were being downgraded from MassHealth CarePlus to Health Safety Net because MassHealth determined there was a change in circumstances. (Exhibit 1). The appellant filed this appeal in a timely manner on or about January 20, 2025. (130 CMR 610.015(B); Exhibit 2). Termination and/or reduction of assistance is valid grounds for appeal. (130 CMR 610.032).

Action Taken by MassHealth

MassHealth notified the appellant that her MassHealth benefits were being downgraded from MassHealth CarePlus to Health Safety Net.

Issue

The appeal issue is whether MassHealth was correct in downgrading the appellant's benefits from MassHealth CarePlus to Health Safety Net.

Summary of Evidence

The MassHealth representative and the appellant appeared at the hearing telephonically and testified as follows: The appellant is an adult between the ages of 21 and 64 and resides in a household of one. She previously received MassHealth CarePlus benefits based on her household income at that time. On December 30, 2024, MassHealth received the appellant's job update form and updated income information.

At the time that MassHealth received the appellant's job update form and income information, her verified gross monthly income from employment equated to 140.24% of the Federal Poverty Level (FPL) for her household size. In January 2025 the appellant submitted additional income information to MassHealth. Currently, the appellant's gross monthly income from employment amounts to \$1,929.18, which equates to 148.72% of the FPL. To qualify for MassHealth benefits, the appellant's income must be at or below 133% of the FPL, or \$1,670.00 per month for a household size of one.¹ On January 9, 2025, MassHealth notified the appellant that her CarePlus benefits were being downgraded to Health Safety Net on January 23, 2025, because of a change in her circumstances regarding her income. (Exhibit 1). The January 9th notice further informed the appellant that she is eligible to receive a ConnectorCare plan through the Massachusetts Health Connector. *Id.*

The appellant confirmed that currently her income is accurate. She stated that she would notify her employer that she can no longer work additional hours moving forward and asked if that would assist in her eligibility for MassHealth benefits. The MassHealth representative explained that the appellant can submit any changes in her income to MassHealth so that her eligibility can be redetermined. The appellant asked if MassHealth considers an applicant's household expenses when determining eligibility. The MassHealth representative responded and stated that MassHealth factors in an applicant's gross monthly income and any pre-tax deductions (i.e. retirement contributions). She stated that MassHealth does not consider an applicant's household expenses when determining eligibility, in accordance with the regulations.

Additionally, the appellant asked if MassHealth considers the payment of union dues when determining eligibility. The MassHealth representative explained that the appellant's union payments are listed as a post-tax deduction in her recent paystubs and therefore are not considered in determining eligibility. The appellant stated that she recently became eligible to receive a pension and asked if MassHealth considers pension contributions to be a pre-tax deduction. The MassHealth representative explained that if pension contributions are listed in the appellant's paystub as a pre-tax deduction, MassHealth will take it into consideration. Here, the appellant's updated paystubs did not indicate that a pension contribution was being deducted at this time.

¹ As of March 1, 2025, 133% of the FPL is \$1,735.00 per month. (See, <https://www.mass.gov/doc/2025-masshealth-income-standards-and-federal-poverty-guidelines>).

Findings of Fact

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

1. The appellant is an adult between the ages of 21 and 64 and lives in a household of one.
2. The appellant was previously eligible for MassHealth CarePlus benefits prior to submitting her job update form and updating her income on December 30, 2024.
3. On or about January 9, 2025, MassHealth notified the appellant that her coverage was being downgraded from CarePlus to Health Safety Net on January 23, 2025.
4. At the time of her December 30th submission, the appellant's verified monthly income from employment equated to 140.24% of the FPL for a household of one.
5. Currently, the appellant's verified gross monthly income from employment totals \$1,929.18, which is equal to 148.72% of the FPL for a household of one.
6. 133% of the FPL limit for a household size of one is \$1,670.00 per month.²
7. The appellant is eligible for Health Safety Net coverage.
8. The appellant is eligible for a health care plan through the Health Connector.
9. The appellant timely appealed this MassHealth action.

Analysis and Conclusions of Law

The MassHealth coverage types are set forth at 130 CMR 505.001(A), as follows:

(1) MassHealth Standard – for people who are pregnant, children, parents and caretaker relatives, young adults³, 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;

² See, "footnote 1," above.

³ "Young adults" are defined at 130 CMR 501.001 as those aged 19 and 20.

(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 (MSP, also called Senior Buy-in and Buy-in)— for certain Medicare beneficiaries.

The financial standards referred to in 130 CMR 505.000 use MassHealth modified adjusted gross income (MAGI) household or MassHealth Disabled Adult household, as defined in 130 CMR 506.002: *Household Composition*. 130 CMR 505.001(B).

At issue in this case is MassHealth’s determination that the appellant is no longer eligible for MassHealth CarePlus benefits. To establish eligibility for MassHealth benefits, applicants must meet both the categorical and financial requirements. In this case, as an adult between the ages of 21 and 64, the appellant meets the categorical requirements for MassHealth CarePlus.⁴

An applicant is financially eligible for MassHealth CarePlus benefits if “the modified adjusted gross income of the MassHealth MAGI household is less than or equal to 133% of the federal poverty level.” (130 CMR 505.002(C)(1)(a); 505.008(A)(2)(c)). To determine financial eligibility, 130 CMR 506.007 requires MassHealth to construct a household for each individual person applying for or renewing coverage. That regulation provides in relevant part as follows:

(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;

⁴ The record does not include any evidence to suggest that the appellant would be categorically eligible for any other MassHealth coverage type.

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

In the present case, the appellant does not dispute that she resides in a household of one.

130 CMR 506.007 describes how an applicant's modified adjusted gross income (MAGI) is calculated. It provides in relevant part, as follows:

- (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. In determining monthly income, the MassHealth agency multiplies average weekly income by 4.333. Five percentage points of the current federal poverty level 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) Divide the annual federal poverty-level income standard as it appears in the *Federal Register* by 12.
 - (2) Multiply the unrounded monthly income standard by the applicable federal-poverty-level standard.
 - (3) Round up to the next whole dollar to arrive at the monthly income standards.

The appellant's verified MAGI is \$1,929.18.⁵ This amount exceeds 133% of the FPL for a household of one, which is \$1,670.00.⁶ Because the appellant's verified income is over the allowable limit to

⁵ As noted by MassHealth, union dues and pension contributions are not allowable deductions from income. (130 CMR 506.003(D)).

⁶ See, footnote "1" above.

qualify for a MassHealth coverage type, I find that the action taken by MassHealth was within the regulations.

This appeal is denied.⁷

Order for MassHealth

None, except to 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.

Kimberly Scanlon
Hearing Officer
Board of Hearings

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

⁷ The 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.