

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2502141
Decision Date:	4/8/2025	Hearing Date:	03/14/2025
Hearing Officer:	Susan Burgess-Cox		

Appearance for Appellant:
Pro se

Appearance for MassHealth:
John Prout

Interpreter:



*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 – Under 65: Income
Decision Date:	4/8/2025	Hearing Date:	03/14/2025
MassHealth’s Rep.:	John Prout	Appellant’s Rep.:	Pro se
Hearing Location:	All Parties Appeared by Telephone	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 February 3, 2025, MassHealth determined that the appellant is not eligible for MassHealth because she no longer meets the income requirements for MassHealth Standard. (130 CMR 506.003; 130 CMR 506.007(B); Exhibit 1). The appellant filed a timely appeal on February 3, 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 is not eligible for MassHealth because she no longer meets the income requirements for MassHealth Standard.

Issue

Whether MassHealth was correct in determining that the appellant no longer meets the income requirements for MassHealth Standard. (130 CMR 506.007(B); 130 CMR 502.003).

Summary of Evidence

The appellant is an adult under the age of 65 and a household of two. The MassHealth representative testified that the appellant has gross earned income of \$800 each week or \$3,466.40 each month.¹ After applying a regulatory 5% disregard of \$85.20, the appellant's modified adjusted gross income (MAGI) of \$3,381.20 was at 198.43% of the federal poverty level for a household of two at the time of the eligibility decision. In March 2025, MassHealth adjusted their income standards as they do each year. Under these new figures, after applying a 5% disregard of \$88.15, the appellant's MAGI of \$3,378.25 is at 191.61% of the federal poverty level. 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. That amount was \$2,266 for a household of two at the time of the eligibility decision and is now \$2,345. The appellant's income exceeds both of these figures.

The MassHealth representative stated that the appellant may obtain health insurance through the Health Insurance Connector Authority.

The appellant reported that her job is seasonal but she takes overtime if offered and collects unemployment when she is not working. The MassHealth representative responded that they agency can look at the appellant's tax return in determining eligibility if she believes that her monthly income is less than what was reported by the agency. The appellant testified that the income on her tax return was likely similar to that reported by MassHealth.

Findings of Fact

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

1. The appellant is under age 65 and a household of two.
2. The appellant is a parent.
3. The appellant has earned income in the amount of \$800 each week or \$3,466.40 each month.
4. The appellant has not been deemed disabled by MassHealth or the Social Security Administration.

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

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 adults², 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 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, 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 21 but under 65 and a parent. 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. As a parent, the appellant meets the categorical eligibility requirements for MassHealth Standard.

A parent or caretaker relative of a child younger than 19 years old is eligible for MassHealth Standard coverage if the modified adjusted gross income of the MassHealth MAGI household is less than or equal to 133% of the federal poverty level (FPL). (130 CMR 505.002(C)(1)(a)). The appellant's income exceeds these standards.

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

² “[Y]oung adults” are defined as those aged 19 and 20. See 130 CMR 501.001.

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)³ and unearned income described in 130 CMR 506.003(B)⁴ 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

³ 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 did not meet any of those categories.

⁴ 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 and dividend income, state or local tax refund for a tax you deducted in the previous year, and gross gambling income."

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.

The appellant's income is \$3,466.40 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 resulted in a MAGI of \$3,381.20. At the time of the eligibility decision, the income limit for MassHealth benefits was \$2,266 each month or \$26,232 each year. At the time of the hearing, the income limits for MassHealth benefits was \$2,345 each month or \$28,140 each year. The appellant's income exceeds these limits. Therefore, the appellant is not eligible for MassHealth. The decision made by MassHealth was correct.

This appeal is denied.

Order for MassHealth

Release the appellant's aid pending and implement the decision on appeal.

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.

Susan Burgess-Cox
Hearing Officer
Board of Hearings

MassHealth Representative: Dori Mathieu, Springfield MassHealth Enrollment Center, 88 Industry Avenue, Springfield, MA 01104, 413-785-4186