Office of Medicaid
BOARD OF HEARINGS

Appellant Name and Address:

[redacted]

Appeal Decision:	Denied	**Appeal Number:**	2502227
Decision Date:	05/09/2025	**Hearing Date:**	03/05/2025
Hearing Officer:	Casey Groff, Esq.		

Appearance for Appellant:
[redacted]

Appearance for MassHealth:
Katie Burgess, Taunton MEC

Interpreter: [redacted]

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; Verifications; Income
Decision Date:	05/09/2025	**Hearing Date:**	03/05/2025
MassHealth's Rep.:	Katie Burgess	**Appellant's Rep.:**	[redacted]
Hearing Location:	Taunton MEC, Remote	**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 12/16/24, MassHealth informed Appellant that her Standard benefit would end on 12/30/24 because she failed to submit verification of eligibility by the required deadline. *See* Exh. 1. Additionally, MassHealth later issued a notice, dated 1/20/25, informing Appellant that she was ineligible for benefits because her income exceeded the program limit. *See* Exh. 7. On 2/3/25, Appellant filed a timely request for a fair hearing, seeking to challenge both notices. *See* 130 CMR 610.015(B) and Exhibit 2. Termination and/or denial of benefits are valid grounds for appeal. *See* 130 CMR 610.035.

Actions Taken by MassHealth

MassHealth (1) terminated Appellant's benefits due to her failure to return requested verifications by the deadline, and (2) determined, in a later action, that Appellant was ineligible for MassHealth benefits because her income exceeded the program limit.

Issue

The appeal issues are (1) whether MassHealth correctly terminated Appellant's benefits for failure

to submit necessary information to verify her eligibility by the deadline, and (2) whether MassHealth correctly determined that Appellant was no longer eligible for benefits because her income exceeded the program limit.

Summary of Evidence

A MassHealth benefits and eligibility representative appeared at the hearing and testified as follows: Appellant is currently between the ages of 21 and 64. She is a tax-filer, claims no dependents, and is in a household size of one (1). Appellant was initially approved for MassHealth Standard under the "young adult" category of eligibility. On 11/8/24, when her Standard benefit was still active, MassHealth notified Appellant that she needed to return a completed job update form with proof of her current income within 30 days of the notice. MassHealth did not receive a response from Appellant by the designated deadline. On 12/16/24, MassHealth informed Appellant that her MassHealth coverage would end on 12/30/24 based on the following reasoning:

> MassHealth got information from available state or federal data sources that affect the eligibility of this person. We sent them a letter requesting additional information and they did not respond in the time allowed. 130 CMR 502.007(C)(3).

See Exh. 1.

Appellant's MassHealth coverage ended on 12/30/24. However, on 1/20/25, Appellant submitted the completed job update form and included recent paystubs to verify her current income. Based on the multiple paystubs provided, MassHealth determined that Appellant had an average weekly income of $446.40 before taxes, amounting to a monthly gross income of $1,934.34. As a household of 1, Appellant's income placed her at 149.12% of the FPL. The MassHealth representative explained that although the income limit for Standard as a young adult is 150% of the FPL, Appellant no longer qualifies as a "young adult" and therefore is categorically ineligible for Standard. She is, however, categorically eligible for CarePlus, but this has an income limit of 133% of the FPL. For a household of one, this amounted to a monthly income of $1,670, though has since increased, as of 3/1/25, to a monthly income of $1,735. In either scenario, Appellant's income exceeds 133% of the FPL. She is ineligible for MassHealth benefits at this time.

Appellant appeared at the hearing and testified through a [redacted] Also appearing on Appellant's behalf was her case manager/advocate. Together, Appellant and her representative testified that Appellant did not realize her MassHealth coverage was being terminated until after it had ended. As soon as she learned that she no longer had coverage, Appellant contacted MassHealth. She submitted a completed job update form and provided current paystubs. She was surprised when MassHealth responded, through the 1/20/25 notice, that she made too much money to qualify for benefits. Appellant questioned how this could be correct

when she only makes $16 per hour. Appellant testified that she lives in a household size of 5, including her parents whom she and her brother support financially. Her rent is over $2,000 per month and she does not make enough money to pay for health insurance.

In response, the MassHealth representative explained that while she may live with other family members, household size, for purposes of MassHealth eligibility, is based on tax filing rules. MassHealth stated that because Appellant is a tax-filer, does not claim any dependents, and is not claimed as a dependent by anyone else, MassHealth correctly determined that she is in a household size of 1.

Findings of Fact

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

1. Appellant is between the ages of 21 and 64; she is a tax-filer; and is in a household size of 1.

2. Appellant was initially approved for MassHealth Standard under the "young adult" category of eligibility.

3. On 11/8/24, while still enrolled in Standard, MassHealth sent Appellant a request to return a completed job update form and proof of her income within 30 days.

4. On 12/16/24, after the deadline for the requested information elapsed, MassHealth informed Appellant that her MassHealth coverage would end on 12/30/24.

5. On 1/20/25, Appellant submitted the completed job update form and included recent pay stubs to verify her current income, which showed that Appellant earned an average weekly income of $446.40 or average monthly income of $1,934.34.

6. Based on the information submitted, MassHealth notified Appellant, through a letter dated 1/20/25, that she was not eligible for MassHealth benefits because her income placed her over the program limit.

Analysis and Conclusions of Law

The first issue on appeal is whether MassHealth correctly terminated Appellant's Standard benefit for failure to provide requested verifications within a timely manner.

MassHealth is responsible for the administration and delivery of Medicaid ("MassHealth") services to eligible low- and moderate-income individuals, couples, and families. *See* 130 CMR

501.002(A). MassHealth provides individuals with access to health care by determining the coverage type that provides the applicant with the most comprehensive benefit for which they are eligible. *See* 130 CMR 501.003(A). As a prerequisite to render such determinations, MassHealth requires verification of all eligibility factors, including income, residency, citizenship, immigration status, and identity as further described in 130 CMR 501.000 through 508.000. *See* 130 CMR 502.003. It is the responsibility of the applicant/member to cooperate with all program rules and regulations, and to provide MassHealth with the necessary information to establish and maintain eligibility. *See* 130 CMR 501.010(A). As part of the enrollment and/or renewal process, MassHealth will request that the individual seeking to obtain or maintain benefits provide "all corroborative information necessary to verify eligibility ..." 130 CMR 502.002(B). Once MassHealth issues a request for verifications, the applicant/member "must supply such information within 30 days of the receipt of the agency's request." *Id.* If the member does not comply with the request, their "MassHealth benefits may be terminated." *Id.*

In conjunction with these rules, MassHealth renders periodic eligibility reviews of existing members, which may be performed as follows:

> (3) Periodic Data Matches. The MassHealth agency matches files of MassHealth members with other agencies and information sources as described in 130 CMR 502.004 [1]to update or verify eligibility.
>
> (a) If the electronic data match indicates a change in circumstances that would result in potential reduction or termination of benefits, the MassHealth agency will notify the member of the information that was received through the data match and require the member to respond within 30 days of the date of the notice.
>
> ….
>
> 3. If the member does not respond within 30 days, eligibility will be determined using available information received from the electronic data sources. If information necessary for eligibility determination is not available from electronic data sources, MassHealth coverage will be terminated.

See 130 CMR 502.007(C)(3).

In November of 2024, Appellant was actively enrolled in MassHealth Standard. After an electronic data match provided conflicting information regarding her eligibility, MassHealth notified Appellant, through a letter dated 11/8/24, that she needed to complete and submit a

[1] According to 130 CMR 502.004: *Matching Information*, MassHealth may initiate information matches with other agencies and information sources when an application is received, at annual renewal, and periodically, in order to update or verify eligibility. These agencies and information sources may include, but are not limited to, the following: the Federal Data Services Hub, the Department of Unemployment Assistance, Department of Public Health's Bureau of Vital Statistics, Department of Industrial Accidents, Department of Veterans' Services, Department of Revenue, Bureau of Special Investigations, Social Security Administration, Systematic Alien Verification for Entitlements, Department of Transitional Assistance, and health insurance carriers.

job update form within 30 days, i.e., by 12/8/24. When Appellant did not submit the required verifications by the deadline, MassHealth informed Appellant, pursuant to its 12/16/24 notice, that her Standard coverage would terminate on 12/30/24. Absent any evidence to suggest that Appellant had in fact responded to the request for information in a timely fashion, MassHealth's appropriately sought to end coverage pursuant to 130 CMR §§ 502.002(B) and 502.007(C)(3). The appeal is DENIED with respect to any challenge regarding the validity of the 12/16/24 notice.

Next, this appeal addresses whether MassHealth correctly determined, in a later notice dated 1/20/25, that Appellant did not qualify for benefits due to having income that exceeded the program limit.

In accordance with federal and state law, MassHealth formulates requirements and determines eligibility for all coverage types, See 501.004(A); 501.009). The coverage types that are available are listed as follows:

> (1) Standard for pregnant women, children, parents and caretaker relatives, young adults,[2] 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) CommonHealth for disabled adults, disabled young adults, and disabled children who are not eligible for MassHealth Standard;
>
> (3) CarePlus for adults 21 through 64 years of age who are not eligible for MassHealth Standard;
>
> (4) 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) Small Business Employee Premium Assistance for adults or young adults ….
>
> (6) 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
>
> (7) Senior Buy-in and Buy-in for certain Medicare beneficiaries.

See 130 CMR 505.001(A)

An individual must meet *both* categorical *and* financial eligibility requirements to qualify for one of the aforementioned coverage types. The evidence indicates that Appellant was initially deemed *categorically* eligible for Standard based on her status as a "young adult." Although Appellant no longer met this classification as of the 1/20/25 notice date she would have been

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

categorically eligible for CarePlus as an adult between the ages of 21 and 64.[3] To be *financially* eligible for CarePlus, the individual must have a household modified adjusted gross income (MAGI) that does not exceed 133% of the federal poverty level (FPL). *See* 130 CMR 505.008(A)(2)(c). At the time the eligibility notices were issued, the maximum FPL amounted to a monthly MAGI of $1,670 for a household size of one (1). *See 2024 MassHealth Income Standards & Federal Poverty Guidelines*. At the time of the hearing, the equivalent income limit had increased to $1,735 to account for adjustments in inflation. *See 2025 MassHealth Income Standards & Federal Poverty Guidelines*. For purposes of determining eligibility, MassHealth counts both earned and unearned income as described in 130 CMR 506.003(A)-(B), less deductions described in 130 CMR 506.003(D).[4] *See* 130 CMR 506.003. Countable earned income "is the total amount of taxable compensation received for work or services performed, less pretax deductions, [and] may include wages, salaries, tips, commissions, and bonuses." *See* 130 CMR 506.003(A).

Based on the paystubs Appellant submitted to MassHealth on 1/20/25, Appellant receives an average monthly income of $1,934.34. Before an equivalent FPL percentage can be calculated, MassHealth must identify the individual's household size, in accordance with the following MAGI household composition rules:

> (B) MassHealth MAGI Household Composition.
> (1) Taxpayers Not Claimed as a Tax Dependent on Their 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 their spouse, if the taxpayers are married and filing jointly regardless of whether they are living together;
> (b) the taxpayer's spouse, if living with them 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

130 CMR 506.002(B).

Appellant argued that because she lives with multiple family members, including her parents whom she financially supports, she should not be considered to be in a household size of one (1). As the above regulation indicates, however, household composition is not based solely on living

[3] There is no evidence that Appellant was disabled or met any other special circumstance to be categorically eligible for Standard or CommonHealth, nor is there evidence that she was categorically eligible for any of the other coverage types listed in 130 CMR 505.001(A), above.

[4] There is no evidence to indicate that Appellant qualifies for any of the allowable deductions listed in 130 CMR 506.003(D), which include: educator expenses, health savings account, alimony, student loan interest, individual retirement account, scholarships and awards, among other sources.

arrangements but also tax filing rules, which consider the individual's marital status, their designation as a tax-filer or dependent, and the number of dependents claimed. The evidence indicates that Appellant is a non-married tax-filer and does not claim any dependents on her tax returns. As such, MassHealth correctly determined that Appellant was in a household size of one (1). With a monthly MAGI of $1,934.34, Appellant has an FPL of 149%. As this amount exceeds the program limit, MassHealth appropriately notified Appellant, pursuant to its 1/20/25 notice, that she was ineligible for benefits.

The appeal is DENIED with respect to the 1/20/25 notice.

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.

Casey Groff, Esq.
Hearing Officer
Board of Hearings

[redacted]

MassHealth Representative: Justine Ferreira, Taunton MassHealth Enrollment Center, 21 Spring St., Ste. 4, Taunton, MA 02780