

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2502297
Decision Date:	04/22/2025	Hearing Date:	03/13/2025
Hearing Officer:	Susan Burgess-Cox		

Appearance for Appellant:



Appearance for MassHealth:

Raisa Guzman (Charlestown MEC) &
Karishma Raja (Premium Billing)



*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 Billing
Decision Date:	04/22/2025	Hearing Date:	03/13/2025
MassHealth's Rep.:	Raisa Guzman (Charlestown MEC) & Karishma Raja (Premium Billing)	Appellant's Rep.:	Pro se
Hearing Location:	Charlestown MassHealth Enrollment Center	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 February 4, 2025, MassHealth notified the appellant that he is eligible for CommonHealth as of December 27, 2024 with a premium of \$662.40 each month starting March 2025. (130 CMR 506.013; Exhibit 1). The appellant filed a timely appeal on February 6, 2025.

A decision regarding the scope and amount of assistance is valid grounds for appeal. (130 CMR 610.032).

Action Taken by MassHealth

MassHealth notified the appellant that he is eligible for CommonHealth as of December 27, 2024 with a premium of \$662.40 each month starting March 2025. (130 CMR 506.000)

Issue

Whether MassHealth was correct in calculating the appellant's monthly premium.

Summary of Evidence

MassHealth representatives from the Premium Billing Unit (PBU) and a MassHealth Enrollment Center (MEC) appeared at hearing via Microsoft Teams. The appellant appeared in-person. The representative from the PBU provided documents that were incorporated into the hearing record as Exhibit 4. Documents from the appellant were incorporated into the hearing record as Exhibit 5. The appellant has been eligible for MassHealth CommonHealth for a number of years. The appellant reported a change in household composition which resulted in the agency issuing the notice on appeal. The appellant is a disabled adult and reported income of his alone as a family group of one. Based upon this reported information, MassHealth determined that the appellant eligible for CommonHealth with a monthly premium of \$662.40.

The MEC representative testified that the appellant has gross bi-weekly income of \$5,936 which would equal monthly income of \$12,861. At hearing, the MassHealth representative testified that the appellant had income at 937.79% of the federal poverty level (FPL). A modified adjusted gross income (MAGI) at that level would be \$11,769¹. At hearing, the MassHealth representative did not speak to any deductions made to the appellant's income in calculating the appellant's MAGI. The regulations require the agency to apply a 5% regulatory disregard of \$62.75, which would provide the appellant with a MAGI of \$12,798 based upon income reported at the hearing of \$5,936 bi-weekly or \$12,861 each month. It's not clear how MassHealth obtained their figures but as they benefit the appellant, the Board of Hearings will utilize those figures in this decision. The regulations allow the agency to make deductions in calculating the MAGI, it appears that the agency took such action but the MassHealth representative at hearing did not testify to such deductions. Records presented by the appellant show that the appellant is enrolled in employer-sponsored insurance and pays a monthly premium. MassHealth serves as a supplemental insurance to this coverage.

The monthly premium is based upon a formula utilized by MassHealth in calculating premiums for members who have coverage that requires them to pay a premium as well as primary insurance to which MassHealth does not contribute. For members with income above 800% of the Federal Poverty Level, MassHealth utilizes a formula that begins with a premium of \$646 and adds \$14 for each additional 10% of the FPL to 1000% of the FPL or \$912. An individual with income at 937.79% of the FPL would begin with a premium of \$828 [$\$646 + \$14 + \$14 + \$14 + \$14 + \$14 + \$14 + \$14 + \$14 + \$14 + \$14 + \$14 + \$14 + \$14 = \828]. Members who have health insurance to which MassHealth does not contribute have a lower supplemental premium. Under this formula,

¹ At the time of the decision on appeal, 100% of the federal poverty level was \$1,255. This calculation is based upon a formula using 100% of the federal poverty level and multiplying that figure by 9.3779 (or 937.79%) [$\$1,255 * 9.3779 = \$11,769$].

members with income between 800% and 1000% of the Federal Poverty Level pay 80% of the full premium. A member with a monthly premium starting at \$828 would have a supplemental premium of \$662.40 [$\$828 \times 0.6 = \662.40]. This is the premium amount listed on the notice on appeal. The appellant presented pay stubs that coincide with the income figures presented by the MassHealth representative at hearing.

The representative from the PBU testified that in October 2024, the appellant was deemed eligible for CommonHealth with a monthly premium of \$516.80 starting in November 2024. In February 2025, MassHealth issued the notice on appeal with a monthly premium starting March 2025. The representative from PBU testified that the appellant was billed a premium of \$516.80 in January 2025 which was partially paid in the amount of \$313.80 and has a remaining balance of \$203. The representative from PBU testified that the appellant was billed in the amount of \$662.40 in March 2025 so now has a total balance of \$865.40 due on the account. Records presented by PBU show that the appellant had a premium of \$197.40 each month from February 2024 until November 2024 when the premium increased to \$516.80. The records indicate that the appellant has a history of not paying the full premium due each month.

The MEC representative testified that the agency had protections put in place during the COVID-19 national emergency. The application of those protections as well as a change in the appellant's household composition likely played a role in the new eligibility determination.

The appellant testified that his health care needs have grown significantly and while most of his healthcare is covered by his employer-sponsored insurance, there are expenses that are only covered by MassHealth including PCA services. The appellant testified that the goal of MassHealth CommonHealth is to allow disabled individuals to work full-time and obtain services that are not covered by private insurance. The appellant felt that it would be more realistic to accomplish this with premium amounts that are affordable. The appellant testified that he did not receive notice of a change in the premium amount and had the payments on autopay so he continued to pay the original amount due. The appellant felt that he did not receive proper notice of the change in the premium amount. The appellant testified that he has deductions made from his paycheck including payment for private insurance. The appellant testified that he takes home approximately \$2,100 bi-weekly and needs to feed his children and pay utility bills.

The appellant testified that he separated from his spouse and began living on his own in [REDACTED]. The appellant testified that he may be file a joint tax return with his spouse. The appellant did not provide clear testimony regarding his family composition other than acknowledge at the beginning of the hearing that he was a family group of one. Upon hearing further testimony from the MassHealth representatives regarding the calculation of a premium, the appellant began speaking to a different household composition but was not clear on how he or his spouse have filed taxes in the past and how they will moving forward. The appellant testified that his spouse has been on CommonHealth in the past and was not sure if they were considered part of the same family group. The income of the appellant's spouse was not considered in determining the

appellant's eligibility in the notice on appeal. The appellant testified that his spouse is working and has earned income. The appellant did not report that income amount prior to or at hearing.

Findings of Fact

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

1. The appellant is a disabled adult and a family group of one.
2. The appellant is enrolled in employer-sponsored insurance and pays a monthly premium.
3. MassHealth serves as a supplemental insurance to the appellant's private insurance.
4. MassHealth determined that the appellant has a modified adjusted gross income (MAGI) at 937.39% of the federal poverty level.
5. In October 2024, the appellant was deemed eligible for CommonHealth with a monthly premium of \$516.80 starting in November 2024.
6. In February 2025, MassHealth issued the notice on appeal with a monthly premium starting March 2025.
7. The appellant was billed a premium of \$516.80 in January 2025 which was partially paid in the amount of \$313.80 and has a remaining balance of \$203.
8. The appellant was billed in the amount of \$662.40 in March 2025.
9. At the time of the hearing, the appellant has a total balance of \$865.40 due on the account.

Analysis and Conclusions of Law

MassHealth is responsible for the administration and delivery of health-care services to eligible low- and moderate-income individuals, couples, and families under MassHealth. (130 CMR 501.002(A)). MassHealth provides access to healthcare by determining eligibility for the coverage type that provides the most comprehensive benefits for an individual or family who may be eligible. (130 CMR 501.003(A)). MassHealth formulates requirements and determines eligibility for all MassHealth coverage types. (130 CMR 501.004(A)).

130 CMR 505.000 explains the categorical requirements and financial standards that must be met to qualify for a MassHealth coverage type. (130 CMR 505.001). The rules of financial responsibility and calculation of financial eligibility are detailed in 130 CMR 506.000: Health

Care Reform: MassHealth: Financial Requirements. (130 CMR 505.001). 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)). Neither party disputed the fact that the appellant is eligible for MassHealth CommonHealth. (130 CMR 505.004; 130 CMR 519.012). The appellant did not dispute the reported income amount presented by MassHealth. The appellant has employer-sponsored insurance.

In determining eligibility, MassHealth does allow deductions from countable income when determining a member's Modified Adjusted Gross Income (MAGI). (130 CMR 506.004(D)). The following are allowable deductions from countable income:

- (1) educator expenses;
- (2) reservist/performance artist/fee-based government official expenses;
- (3) health savings account;
- (4) moving expenses;
- (5) self-employment tax;
- (6) self-employment retirement account;
- (7) penalty on early withdrawal of savings;
- (8) alimony paid to a former spouse;
- (9) individual retirement account (IRA);
- (10) student loan interest; and
- (11) higher education tuition and fees. (130 CMR 506.004(D)).

While neither party provided testimony or evidence of incurring any of these deductible expenses, it is unclear how the agency calculated the countable income amount without utilizing any of these expenses.

MassHealth may charge a monthly premium to MassHealth Standard, CommonHealth, or Family Assistance members who have income above 150% of the federal poverty level (FPL), as provided in 130 CMR 506.011. MassHealth Premium Amounts are calculated based on a member's household modified adjusted gross income (MAGI) and their household size as described in 130 CMR 506.002 and 506.003 and the premium billing family group (PBFG) rules as described in 130 CMR 506.011(A). Certain members are exempt from paying premiums, in accordance with 130 CMR 506.011(J). (130 CMR 506.011). The appellant is not an exempt member. (130 CMR 506.011(J)).

MassHealth CommonHealth has a full premium formula as well as a supplemental premium formula. (130 CMR 506.011(B)(2)). The full premium is charged to children with household income above 300% of the federal poverty level (FPL) who have no health insurance and members to whom MassHealth is paying a portion of their health-insurance premium. The following table describes the calculation of the full premium:

CommonHealth Full Premium Formula		
Base Premium	Additional Premium Cost	Range of Monthly Premium Cost
Above 150% FPL start at \$15	Add \$5 for each additional 10% FPL	\$15 - \$35
Above 200% FPL start at \$40	Add \$8 for each additional 10% FPL	\$40 - \$192
Above 400% FPL start at \$202	Add \$10 for each additional 10% FPL	\$202 - \$392
Above 600% FPL start at \$404	Add \$12 for each additional 10% FPL	\$404 - \$632
Above 800% FPL start at \$646	Add \$14 for each additional 10% FPL	\$646 - \$912
Above 1,000% FPL start at \$928	Add \$16 for each additional 10% FPL	\$928 + greater

A lower supplemental premium is charged to members who have health insurance to which MassHealth does not contribute. (130 CMR 506.011(B)(2)(c)). The supplemental premium formula for young adults, adults, and children with household income above 300% of the FPL is provided as follows:

CommonHealth Supplemental Premium Formula	
% of Federal Poverty Level (FPL)	Monthly Premium Cost
Above 150% to 200%	60% of full premium
Above 200% to 400%	65% of full premium
Above 400% to 600%	70% of full premium
Above 600% to 800%	75% of full premium
Above 800% to 1,000%	80% of full premium
Above 1,000%	85% of full premium

The appellant is not receiving a premium assistance payment from MassHealth. The appellant has health insurance to which MassHealth does not contribute. Therefore, MassHealth was correct in utilizing a supplemental premium formula in calculating the premium in February 2025 resulting in a premium of \$662.40.

A review of the facts presented at hearing regarding the appellant's income and the regulations governing the calculation of a premium for those with income above 800% – 1000% of the federal poverty level, the calculation of a premium amount of \$662.40 is correct.

This appeal is 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.

Susan Burgess-Cox
Hearing Officer
Board of Hearings

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