

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2502768
Decision Date:	5/22/2025	Hearing Date:	03/18/2025
Hearing Officer:	Casey Groff	Record Closed	03/21/2025

Appearance for Appellant:
Pro se

Appearances for MassHealth:
Stella Mudanya, 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:	Comm. Elig. – Under 65; Income
Decision Date:	5/22/2025	Hearing Date:	03/18/2025
MassHealth's Rep.:	Stella Mudanya; Karishma Raja	Appellant's Rep.:	<i>Pro se</i>
Hearing Location:	Board of Hearings, 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 1/8/25, MassHealth informed Appellant that her MassHealth benefit was being downgraded from Standard to CommonHealth effective 1/22/25 and that she would owe a \$48 monthly premium for her coverage starting February 2025. *See* Exh. 1. Appellant filed a timely appeal on 2/15/25. *See* Exh. 2 and 130 CMR 610.015(B). Terminating a benefit and/or limiting the scope of assistance is valid grounds for appeal. *See* 130 CMR 610.032.

Action Taken by MassHealth

MassHealth downgraded Appellant's MassHealth benefit from Standard to CommonHealth effective 1/22/25 and assessed a \$48 monthly premium for her coverage, starting February 2025.

Issue

The issues on appeal are: (1) whether Appellant's income exceeds the regulatory limit to remain eligible for Standard, and (2) whether MassHealth appropriately downgraded her coverage to CommonHealth with a \$48 monthly premium.

Summary of Evidence

A MassHealth eligibility representative appeared at hearing and testified that Appellant is an adult MassHealth member under the age of [REDACTED] and is in a household size of one (1). She has a verified disability on file. In December of 2022, she became eligible for MassHealth Standard due to having income that placed her at 91.43% of the federal poverty level (FPL). According to the representative, to be eligible for Standard, the household modified adjusted gross income (MAGI) must be no greater than 133% of the FPL. For a household size of (1) that limit is \$1,735. On 1/8/25, MassHealth received updated income information showing that Appellant was now at 215.50% of the FPL. This was based on verification that Appellant received Social Security Disability income (SSDI) of \$1,557 per month in addition to earned income, previously verified at \$600 every two weeks, or \$1,299 per month. Combined, these two income sources gave Appellant a gross monthly income of \$2,856.90, placing her at 215.50% of the FPL. The MassHealth representative testified that Appellant also has a pending income verification regarding identified rental income of approximately \$7,000 per year. If this is correct, this would place Appellant at a higher FPL percentage and could potentially increase her premium obligation to maintain her CommonHealth benefit. However, because the income sources identified on 1/8/25 placed her over the limit for Standard, MassHealth notified Appellant, via a 1/8/25 notice, that her benefit would be downgraded to CommonHealth effective 1/22/25, and that she would owe a monthly premium amount of \$48 starting February 2025.

Also appearing on behalf of MassHealth was a representative from the Premium Billing (PB) Unit. The PB representative testified that MassHealth billed Appellant \$48 for the February and March 2025 premiums. As of the hearing date, no payment had been made on Appellant's account, leaving her with an outstanding balance of \$96.

Appellant appeared at the hearing and disputed the change in her MassHealth benefit level. Appellant testified that she cannot afford a monthly premium. For background, Appellant testified that her husband passed away in [REDACTED] and shortly thereafter she was diagnosed with stage 4 cancer in [REDACTED]. She has been undergoing toxic cancer treatments, including three surgeries in the last four years, and treatment remains ongoing. She would prefer to work more hours, so she does not have to rely on public benefits. However, due to her poor health and after further decline following her last surgery in [REDACTED] she applied for disability benefits. Appellant confirmed that the SSDI quoted at \$1,557 was correct. Appellant did not directly dispute the accuracy of the \$600 bi-weekly figure for earned income; however, she testified that any income through her employer is highly variable as it depends on her physical ability to work and the number of appointments she has with her patients/clients at any given time. Appellant stated that she recently provided MassHealth with paystubs spanning back several years but could submit more recent paystubs to get an accurate figure. During much of the hearing, Appellant contested MassHealth's request for verification of rental income, asserting

that this is not income that she receives, but rather income that goes directly to pay her mortgage. Appellant explained that after her husband passed away, she could not afford the monthly mortgage payment to maintain her home and had no choice but to rent it out. Because this income is generated and used solely for the purpose of keeping her home from being foreclosed upon, it should not be counted by MassHealth.

Findings of Fact

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

1. Appellant is between the ages of [REDACTED] has a verified disability, and is in a household size of one (1).
2. Appellant previously qualified for MassHealth Standard based on her income, which at the time of enrollment, placed her at 91.43% of the FPL.
3. On 1/8/25, MassHealth received updated income information showing that Appellant's FPL increased to 215.50%, based on an average earned bi-weekly income last verified at \$600, or \$1,299 per month, plus a monthly SSDI benefit of \$1,557, which, combined, gave her a total gross monthly income of \$2,856.90.
4. On 1/8/25, MassHealth informed Appellant that her Standard benefit would end on 1/22/25 because her income exceeded the program limit; however, due to her disability, her coverage-type would change to CommonHealth with a monthly premium of \$48 starting February 2025.
5. Appellant receives rental income, which, as of the hearing date, was pending verification, and thus was not an identified or verified source of income at the time MassHealth rendered its 1/8/25 eligibility determination.

Analysis and Conclusions of Law

The issues on appeal are whether MassHealth correctly determined that Appellant no longer qualified for Standard because her income exceeded the program limit; and if so, whether MassHealth appropriately downgraded her coverage to CommonHealth with a \$48 monthly premium.

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). The MassHealth coverage-types are listed as follows:

The MassHealth coverage types are listed as follows:

- (1) Standard for pregnant women, children, parents and caretaker relatives, young adults,¹ 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 [REDACTED] 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)

To establish eligibility for any of the aforementioned coverage types, the individual must meet both the categorical and financial requirements. It is undisputed that Appellant is *categorically* eligible for MassHealth Standard and CommonHealth based on her verified disability. To be *financially* eligible for Standard, individuals under the age of [REDACTED] must have a household modified adjusted gross income (MAGI) less than or equal to 133% of the federal poverty level (FPL). See 130 CMR 505.002(E). For individuals in a household size of one (1), that limit is \$1,735 per month. See *2025 MassHealth Income Standards & Federal Poverty Guidelines*.

Here, the evidence shows that Appellant was initially eligible for MassHealth Standard based on her household income which placed her at 91.43% the FPL. On 1/8/25, MassHealth received updated information showing Appellant's income had increased and, as of that date, placed her at

¹ "Young adults" are defined at 130 CMR 501.001 as those aged [REDACTED]

215.50% of the FPL. The MassHealth representative testified that, according to Appellant's account, Appellant receives an earned bi-weekly income last verified at \$600, which amounts to approximately \$1,299 per month, social security disability income (SSDI) of \$1,557 per month, and \$7,000 annually in rental income, with the latter source of income pending verification.

Appellant did not dispute that she receives a monthly SSDI benefit of \$1,557. Although Appellant testified that her earned income was subject to fluctuations based on her work ability and schedule, Appellant did not submit any specific evidence to demonstrate that the amount on file was inaccurate or inflated. *See* 130 CMR 501.010 (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). Finally, Appellant did not directly testify to whether the \$7,000 that she reportedly receives in annual rental income was accurate. Rather, Appellant argued, any rental income she generates from her property goes directly to pay her mortgage so that her home is not foreclosed upon and, for this reason, should not be considered by MassHealth. Appellant's argument on this issue lacks merit and is also irrelevant for purposes of determining this appeal. First, rental income is indeed considered "countable" for establishing whether an individual is financial eligibility for benefits. *See* 130 CMR 506.003(C).² More important, however, is that the MassHealth coverage determination under appeal was made *without* regard to Appellant's rental income, as it was either unidentified and/or unverified at the time of the 1/8/25 notice. Accounting only for Appellant's SSDI and earned income, which combined, totaled \$2,856.90 per month and placed Appellant at 215.5% of the FPL, MassHealth appropriately determined that Appellant was no longer eligible for Standard because her income exceeded the program limit.

In addition, MassHealth correctly determined that because Appellant has a verified disability, the next most comprehensive benefit for which she was eligible was CommonHealth. *See* 130 CMR 505.004. According to MassHealth regulations, those who meet the categorical requirements for CommonHealth *and* have income over 150% of the FPL "may be assessed a premium in accordance with the premium schedule provided in 130 CMR 506.011(B)(2)." *See* 130 CMR 505.004(I), § 506.011. The full premium formula for adults receiving CommonHealth is set forth in 130 CMR 505.004(B). It states, in relevant part, that adults between 200% and 400% of the FPL have a base premium of \$40 per month with an additional premium cost of \$8 for each additional 10% increase in FPL. Thus, for an FPL of 215%, MassHealth correctly added one additional unit of \$8 to the base premium of \$40 to obtain a monthly premium of \$48. Therefore, there was no error in MassHealth's premium calculation.

Based on the foregoing, Appellant's appeal is DENIED.

Order for MassHealth

² Rental income is defined as "the total amount of taxable income less any deductions listed or allowable on an applicant's or member's U.S. Individual Tax Return." 130 CMR 506.003(C).

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
Hearing Officer
Board of Hearings

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