

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2502831
Decision Date:	04/22/2025	Hearing Date:	03/20/2025
Hearing Officer:	Sara E. McGrath, BOH Deputy Director	Record Open to:	04/04/2025

Appearance for Appellant:




Appearance for MassHealth:

Nancy Derisma - Charlestown 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:	04/22/2025	Hearing Date:	03/20/2025
MassHealth's Rep.:	Nancy Derisma	Appellant's Rep.:	
Hearing Location:	Remote (Telephonic)	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 January 11, 2025, MassHealth notified the appellant that she does not qualify for MassHealth benefits, but that the Health Safety Net may be able to pay for certain health care services (Exhibit 1). The appellant filed this appeal in a timely manner on or about February 18, 2025. (130 CMR 610.015(B); Exhibit 2). The denial of assistance is valid grounds for appeal. (130 CMR 610.032). At the conclusion of the hearing, the record was left open for a brief period for the appellant to submit additional documentation, and for MassHealth to review and respond.

Action Taken by MassHealth

MassHealth notified the appellant that she does not qualify for MassHealth benefits, but that the Health Safety Net may be able to pay for certain health care services.

Issue

The appeal issue is whether MassHealth was correct in determining that the appellant is not eligible for MassHealth benefits.

Summary of Evidence

The MassHealth representative and the appellant both appeared at the hearing telephonically. The record establishes the following: The appellant is an adult between the ages of 21 and 64 and resides in a household of three. She is a tax filer with two claimed dependents and no verified disability on file. The appellant previously received MassHealth Standard, but her coverage terminated on September 30, 2024.¹ The MassHealth representative testified that the appellant contacted MassHealth about her income, which prompted the January 11, 2025 notice on appeal. That notice states that the appellant does not qualify for MassHealth benefits because her income is too high. She stated that the appellant's verified gross monthly income from employment totals \$3,889.70; this amount equals 205.70% of the federal poverty level for the appellant's household size. To qualify for MassHealth benefits, the appellant's income must be at or below 133% of the federal poverty level, or \$2,954.00 per month for a household size of three. She stated that the appellant is also eligible for a ConnectorCare plan through the Massachusetts Health Connector, and that the computer records show that the appellant has in fact enrolled in a ConnectorCare plan.

The appellant testified that someone at MassHealth told her that she does qualify for benefits at this time. She stated that her income is 27% less than the amount listed on her current W2 Form; she works at a restaurant and must tip out service staff at the end of every shift, reducing her income. She agreed to submit a letter from her employer confirming her income. She stated that she has lost all forms of assistance and cannot afford anything right now.

Post-hearing, the appellant submitted a letter from her employer dated March 7, 2025 (Exhibit 3). The general manager of the restaurant that employs the appellant writes as follows: "Please note that for the year ending 2024 [appellant's] income reported on her W2 did not take into consideration her 27% tip out to service staff. Her total income reported should be less 27%" (Exhibit 3). MassHealth reviewed the letter and responded that the letter does not give sufficient detail regarding the appellant's pay and requested either recent paystubs or her 2024 Form 1040 with the Form W-2. The appellant responded by submitting two recent paystubs (Exhibit 4). MassHealth reviewed the paystubs and informed the parties that the appellant's updated gross monthly income totals \$5,337.17, which is equal to 235.32% of the federal poverty level for the appellant's household size of three (Exhibit 5).

¹ On August 2, 2024, MassHealth notified the appellant that her coverage would be downgraded from MassHealth Standard coverage to the Health Safety Net because of a change in circumstances (Exhibit 5). The August 2nd notice stated that the appellant would no longer receive MassHealth Standard after September 30, 2024 because she no longer meets the income requirements for this benefit, and that her Health Safety Net coverage would begin on July 23, 2024 (Exhibit 5). The appellant did not appeal this notice.

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 three.
2. The appellant was previously eligible for MassHealth Standard benefits; those benefits terminated on September 30, 2024.
3. On January 11, 2025, MassHealth notified the appellant that she does not qualify for MassHealth benefits, but that the Health Safety Net may be able to pay for certain health care services.
4. The appellant's verified monthly income from employment totals \$5,337.17, which is equal to 235.32% of the federal poverty level for a household of three.
5. 133% of the FPL limit for a household size of three is \$2,954.00 per month.
6. The appellant is eligible for a health care plan through the Health Connector.

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 adults², 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;
- (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;

² “Young adults” are defined at 130 CMR 501.001 as those aged 19 and 20.

(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 not eligible for MassHealth benefits. To establish eligibility for MassHealth benefits, applicants must meet both the categorical and financial requirements. The appellant is the parent of a child under 19 and thus meets the categorical requirements for MassHealth Standard coverage.³

A parent is financially eligible for Standard 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). 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;

(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 three.

³ The record does not include any evidence to suggest that the appellant would be categorically eligible for any other MassHealth coverage type.

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 MAGI, verified through two recent paystubs, is \$5,337.17.⁴ This amount exceeds 133% of the federal poverty level for a household of three, which is \$2,954.00. Because the appellant's verified income is over the allowable limit to qualify for a MassHealth coverage type, the appellant has not demonstrated that MassHealth erred in its determination.

This appeal is denied.⁵

⁴ Per 130 CMR 506.005(B), paper verification of earned income may include a signed statement from the employer. Here, however, the signed statement does not include a specific income figure but instead indicates that the appellant's current income is 27% less than the amount listed on her Form W-2. Because the appellant's most recent Form W-2 is not part of the record, the signed statement is not reliable verification of income.

⁵ The appellant can direct any questions about Health Connector plans to 1-877-MA-ENROLL (1-877-623-6765) or concerning the Health Safety Net to 877-910-2100.

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.

Sara E. McGrath
Deputy Director
Board of Hearings

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