

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2503263
Decision Date:	4/2/2025	Hearing Date:	03/24/2025
Hearing Officer:	Amy B. Kullar, Esq.	Record Open to:	03/31/2025

Appearance for Appellant:
Pro se

Appearance for MassHealth:
Monica Ramirez, Quincy MassHealth
Enrollment Center



*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; MAGI
Decision Date:	4/2/2025	Hearing Date:	03/24/2025
MassHealth's Rep.:	Monica Ramirez	Appellant's Rep.:	Pro se
Hearing Location:	Quincy Harbor South 4 (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 18, 2025, MassHealth informed the appellant that her coverage was being downgraded from MassHealth Standard to Health Safety Net because of a “change in [her] circumstances.” *See* 130 CMR 502.003 and Exhibit 1. The appellant filed this appeal in a timely manner on February 26, 2025. *See* 130 CMR 610.015(B) and Exhibit 2. MassHealth agency action to reduce assistance is valid grounds for appeal. *See* 130 CMR 610.032(3).

Action Taken by MassHealth

MassHealth informed the appellant that her coverage was being downgraded from MassHealth Standard to Health Safety Net.

Issue

The appeal issue is whether MassHealth was correct in determining that the appellant's income exceeds the limit allowed by the regulations to qualify for benefits.

Summary of Evidence

The appellant is an adult under the age of ■ who resides in a household of one. The appellant appeared telephonically and verified her identity. MassHealth was represented by a worker from the Quincy MassHealth Enrollment Center, who also appeared telephonically. The following is a summary of the testimony and documentary evidence presented at hearing:

The MassHealth representative testified that on February 18, 2025, MassHealth electronically verified the appellant's income and determined that her income was too high for the appellant to receive MassHealth benefits. MassHealth determined that the appellant resides in a household of one and had a verified income of approximately \$33,913.00 per year, which is a federal poverty level (FPL) of 213.55%, and as a result, the February 18, 2025 downgrade notice was issued to the appellant. In order to financially qualify for MassHealth benefits, the annual income for a household of one cannot exceed \$20,820.00. Testimony. The appellant is eligible for a Health Connector plan and has one year of temporary Health Safety Net coverage. Testimony.

The appellant responded that she disagrees with MassHealth's calculation of her income. The information that MassHealth used to verify her income is not accurate; that income was earned during the summer months last year, when she had a lot of extra hours at work. She said that her income has changed significantly, and the amount is not correct in the system. Testimony. After being questioned by the hearing officer, the appellant testified that she has not been diagnosed with breast cancer, cervical cancer, or HIV, and she stated that she is not currently pregnant or breastfeeding. Testimony.

After discussion among the parties, it was agreed that the record would be held open until March 31, 2025 so that the appellant could submit her current paystubs and so that MassHealth could process them and redetermine her eligibility. Exhibit 5. On March 27, 2025, the appellant submitted paystubs for the weeks of 2/16/2025, 2/23/2025, and 3/2/2025, and on the same day MassHealth confirmed that the appellant's paystubs were processed by MassHealth:

Information has been received and updated in system. Member's yearly income is \$22,594.86 and a FPL of 139.38%. In order for member to qualify for MH Standard the FPL is 133% and yearly income of \$20,820 for a household of 1 and this is according the MassHealth standards and regulations, Income has been electronically verified, and case has been reran. Eligibility determination has not been finalized for member has aid pending from BOH.

Exhibit 6.

Findings of Fact

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

1. The appellant is an adult under the age of [REDACTED] who resides in a household of one. Exhibit 4, Testimony.
2. The appellant earns income that amounts to a yearly income of \$22,594.86. Exhibit 6.
3. On February 18, 2025, MassHealth informed the appellant that she was not eligible for MassHealth benefits, and that her coverage was being downgraded from MassHealth Standard to Health Safety Net because of a “change in [her] circumstances.” Exhibit 1.
4. The appellant filed a timely appeal on February 26, 2025. Exhibit 2.
5. The appellant has “aid pending,” pending the outcome of this appeal.
6. The appellant does not have any conditions that would adjust her income requirements for MassHealth Standard, CarePlus, or Family Assistance. Testimony.
7. In 2025, a yearly income at 133% of the federal poverty level equates to \$20,820.00 for a household of one. Testimony, 2025 MassHealth Income Standards and Federal Poverty Level Guidelines.

Analysis and Conclusions of Law

MassHealth offers a variety of coverage types based upon an individual’s circumstances and finances. To qualify for MassHealth, an individual must fit into a category of eligibility and fall below a certain financial threshold.

MassHealth regulations at 130 CMR 505.000 *et seq.* explain the categorical requirements and financial standards that must be met to qualify for a particular MassHealth coverage type. The rules of financial responsibility and calculation of financial eligibility are detailed in 130 CMR 506.000: *Health Care Reform: MassHealth: Financial Requirements*. The MassHealth coverage types are:

- (1) *Standard* - for pregnant women, children, parents and caretaker relatives, young adults, 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 who

(a) work for small employers;

(b) are not eligible for MassHealth Standard, CommonHealth, Family Assistance, or CarePlus;

(c) do not have anyone in their premium billing family group who is otherwise receiving a premium assistance benefit; and

(d) have been determined ineligible for a Qualified Health Plan with a Premium Tax Credit due to access to affordable employer-sponsored insurance coverage;

(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.

130 CMR 505.001(A).

To establish eligibility for MassHealth benefits, applicants must meet both the categorical and financial requirements. In this case, the appellant meets the categorical requirements for MassHealth CarePlus. The question then remains as to whether she meets the income requirements to qualify.

An individual between the ages of [REDACTED] who does not qualify for MassHealth Standard is eligible for MassHealth CarePlus 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 505.008(A)(2). To determine financial eligibility pursuant to 130 CMR 506.007, MassHealth must construct a household as described, in relevant part, in 130 CMR 506.002(B) for each individual person applying for or renewing coverage:

(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.

Here, the appellant does not dispute that she resides in a household of one. Based on 2025 MassHealth Income Standards and Federal Poverty Guidelines, 133% of the federal poverty level equates to a yearly income of \$20,820.00. See chart at <https://www.mass.gov/doc/2025-masshealth-income-standards-and-federal-poverty-guidelines-0/download>.

MassHealth determines an applicant's modified adjusted gross income (MAGI) by taking the countable income, which includes earned income as described in 130 CMR 506.003(A) and unearned income described in 130 CMR 506.003(B), less deductions described in 130 CMR 506.003(D). Specifically, 130 CMR 506.007 provides how the MAGI is calculated:

...Countable income includes earned income described in 130 CMR 506.003(A) and unearned income described in 130 CMR 506.003(B) less deductions described in 130 CMR 506.003(C). Income of all the household members forms the basis for establishing an individual's eligibility. 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).

(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 (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.

(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.

(D) Safe Harbor Rule. The MassHealth agency will provide a safe harbor for individuals whose household income determined through MassHealth MAGI income rules results in financial ineligibility for MassHealth but whose household income determined through Health Connector income rules as described at 26 CFR 1.36B-1(e) is below 100 percent FPL. In such case, the individual's financial eligibility will be determined in accordance with Health Connector income rules.

(1) MassHealth uses current monthly income and the Health Connector uses projected annual income amounts.

(2) MassHealth MAGI household uses exceptions to tax household rules and the Health Connector uses the pure tax filing household.

(E) MAGI Protection for Individuals Receiving MassHealth Coverage on December 31, 2013. Notwithstanding the above, in the case of determining ongoing eligibility for individuals determined eligible for MassHealth coverage to begin on or before December 31, 2013, application of the MassHealth MAGI Household Income Calculation methodologies as set forth in 130 CMR 506.007 will not be applied until March 31, 2014, or the next regularly scheduled annual renewal of eligibility for such individual under 130 CMR 502.007, whichever is later, if the application of such methodologies would result in a downgrade of benefits.

In this case, MassHealth calculated the appellant's annual MAGI to equal \$22,594.86, which the appellant cannot dispute, since she herself provided the February-March 2025 paystubs to MassHealth as proof of her income. As the amount of the appellant's verified annual income exceeds 133% of the poverty level based on 2025 standards, the appellant is not eligible for MassHealth benefits. Therefore, because the appellant's household's verified annual income is over 133% of the federal poverty level, MassHealth did not err in issuing the February 18, 2025 notice downgrading the appellant's benefits from MassHealth Standard to the Health Safety Net.

This appeal is hereby DENIED.

Order for MassHealth

Remove aid pending.

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.

Amy B. Kullar, Esq.
Hearing Officer
Board of Hearings

MassHealth Representative: Quincy MEC, Attn: Appeals Coordinator, 100 Hancock Street, 6th Floor, Quincy, MA 02171