

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Approved	Appeal Number:	2504595
Decision Date:	5/23/2025	Hearing Date:	05/08/2025
Hearing Officer:	Emily Sabo		

Appearances for Appellant:



Appearances for MassHealth:

Monica Ramirez, Quincy MEC; Karishma Raja,
Maximus 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:	Approved	Issue:	Premium Billing
Decision Date:	5/23/2025	Hearing Date:	05/08/2025
MassHealth's Reps.:	Monica Ramirez; Karishma Raja	Appellant's Reps.:	
Hearing Location:	Quincy Harbor South (Virtual)	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 21, 2025, MassHealth approved the Appellant for MassHealth CommonHealth, effective September 24, 2024, with a \$2,448/month premium starting in February 2025. 130 CMR 505.004, 130 CMR 506.011, and Exhibit 1. The Appellant filed this appeal in a timely manner on March 19, 2025, on the basis that the premium had been incorrectly calculated.¹ 130 CMR 610.015(B) and Exhibit 2. A premium calculation is valid grounds for appeal. 130 CMR 610.032.

Action Taken by MassHealth

MassHealth approved the Appellant for MassHealth CommonHealth, with a \$2,448 monthly premium beginning February 2025.

Issue

¹ The fair hearing request specifically states that when the Appellant's February 2025 premium bill was received, the Appellant's representative called MassHealth and that future premiums were reduced, but that the \$2,448 charge was not removed. Exhibit 2.

The appeal issue is whether MassHealth was correct, pursuant to 130 CMR 506.011, in determining that the Appellant owed a \$2,448/month CommonHealth premium.

Summary of Evidence

Prior to the hearing, the Appellant submitted evidence including his 2024 tax return, his Social Security benefit statement, including that the cost of his Medicare parts B and C is deducted monthly from his Social Security income, his long-term disability monthly income, and copies of his Medicare, MassHealth, and Medicare Rx cards. Exhibit 5.

The hearing was held telephonically. MassHealth was represented by a MassHealth eligibility specialist and a premium billing specialist. The MassHealth eligibility specialist testified that the Appellant is an adult between the ages of 21-64, has a disability, and a household size of one. The MassHealth eligibility specialist testified that the Appellant's income was recently verified and that it consists of \$2,928/month in Social Security income and \$197/month in long-term disability. The MassHealth eligibility specialist testified that based on the Appellant's verified income, MassHealth had calculated a premium of \$41.60/month, and that this was also the Appellant's premium from September 2024 to January 2025. The MassHealth eligibility specialist testified that in the MassHealth database, there was a note on February 9, 2025 stating that the Appellant's income was entered wrong and that it had been adjusted. The premium billing specialist testified that the Appellant's transaction history reflects an invoice of \$2,448 for February 2025, and that premium billing cannot change that unless directed by MassHealth or the Board of Hearings. *See also* Exhibit 6.

The Appellant verified his identity and agreed with MassHealth's testimony as to his income. The Appellant's representative testified that they believed a MassHealth worker had added an extra digit to the Appellant's income when inputting his Social Security cost-of-living adjustment. The Appellant's representative explained that she had called MassHealth multiple times and that the representatives she spoke with said that they were unable to fix the problem. The Appellant's representative expressed that it seemed needlessly hard to get MassHealth to resolve the issue.

Based on questions from the hearing officer, the MassHealth eligibility specialist agreed that the Appellant's income during the relevant time period had not been greater than \$2,928/month in Social Security income and \$197/month in long-term disability. The MassHealth representative also agreed that the Appellant has health insurance through Medicare, which MassHealth does not contribute toward.

Findings of Fact

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

1. The Appellant is an adult between the ages of 21-64, who is disabled and eligible for MassHealth CommonHealth, and has a household size of one. Testimony, Exhibits 1 and 4.
2. The Appellant's verified income consists of \$2,928/month in Social Security income and \$197/month in long-term disability. Testimony, Exhibit 5.
3. The Appellant also has health insurance through Medicare, which MassHealth does not contribute toward. Testimony, Exhibit 5.
4. On January 21, 2025, MassHealth sent the Appellant a notice stating that he was approved for CommonHealth with a \$2,448/month premium beginning in February 2025. Exhibits 1 and 6.
5. The Appellant's payment and transaction history reflect a February 2025 invoice charge of \$2,448. Testimony and Exhibit 6.
6. The Appellant filed a timely appeal with the Board of Hearings on March 19, 2025. Exhibit 2.

Analysis and Conclusions of Law

MassHealth regulations provide:

505.004: MassHealth CommonHealth

(A) Overview.

(1) 130 CMR 505.004 contains the categorical requirements and financial standards for CommonHealth coverage available to both disabled children and disabled adults, and to disabled working adults.

(2) Persons eligible for MassHealth CommonHealth coverage are eligible for medical benefits as described in 130 CMR 450.105(E): *MassHealth CommonHealth*.

....

(C) Disabled Adults. Disabled adults must meet the following requirements:

(1) be 21 through 64 years old;

(2) be permanently and totally disabled, as defined in 130 CMR 501.001: *Definition of Terms*;

(3) be ineligible for MassHealth Standard;

(4) be a citizen as described in 130 CMR 504.002: *U.S. Citizens* or a qualified noncitizen as described in 130 CMR 504.003(A)(1): *Qualified Noncitizens*;

(5) (a) meet a one-time-only deductible in accordance with 130 CMR 506.009: *The One-time Deductible*; or

(b) have modified adjusted gross income of the MassHealth Disabled Adult household

that is less than or equal to 200% of the federal poverty level (FPL) and provide verification that they are HIV positive; and
(6) comply with 130 CMR 505.004(J).

....

(I) MassHealth CommonHealth Premium. Disabled adults, disabled working adults, disabled young adults, and disabled children who meet the requirements of 130 CMR 505.004 may be assessed a premium in accordance with the premium schedule provided in 130 CMR 506.011(B)(2). No premium is assessed during a deductible period.

130 CMR 505.004(A), (C), (I).

506.002: Household Composition

(A) Determination of Household Composition. MassHealth determines household size at the individual member level. MassHealth determines household composition in two ways.

(1) MassHealth Modified Adjusted Gross Income (MAGI) Household Composition.

MassHealth uses the MassHealth MAGI household composition rules to determine member eligibility for the following benefits:

- (a) MassHealth Standard, as described in 130 CMR 505.002(B), (C), (D), (F), and (G);
- (b) MassHealth CommonHealth, as described in 130 CMR 505.004(F) and (G);
- (c) MassHealth CarePlus, as described in 130 CMR 505.008: *MassHealth CarePlus*;
- (d) MassHealth Family Assistance, as described in 130 CMR 505.005(B) through (E);
- (e) MassHealth Limited, as described at 130 CMR 505.006: *MassHealth Limited*; and
- (f) Children's Medical Security Plan (CMSP), as described in 130 CMR 522.004: *Children's Medical Security Plan (CMSP)*.

(2) MassHealth Disabled Adult Household. MassHealth uses the MassHealth Disabled Adult household composition rules to determine member eligibility for the following benefits:

- (a) MassHealth Standard, as described in 130 CMR 505.002(E): *Disabled Adults*;
- (b) MassHealth CommonHealth, as described in 130 CMR 505.004(B) through (E); and
- (c) MassHealth Family Assistance, as described in 130 CMR 505.005(F): *Eligibility Requirement for Disabled Adults Who Are Qualified Noncitizens Barred, Nonqualified Individuals Lawfully Present, and Nonqualified PRUCOLs with Modified Adjusted Gross Income of the MassHealth Disabled Adult Household at or below 100% of the Federal Poverty Level*.

...

(C) MassHealth Disabled Adult Household. The household consists of

- (1) the individual;
- (2) the individual's spouse if living with them;
- (3) the individual's natural, adopted, and stepchildren younger than 19 years old if living with them; and
- (4) if any individual described in 130 CMR 506.002(C)(1), (2), or (3) is pregnant, the number of

expected children.

130 CMR 506.002(A), (C).

506.007: Calculation of Financial Eligibility

The rules at 130 CMR 506.003 and 506.004 describing countable income and noncountable income apply to both MassHealth MAGI households and MassHealth Disabled Adult households.

(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.

(1) The MassHealth agency will construct a household as described in 130 CMR 506.002 for each individual who is applying for or renewing coverage. Different households may exist within a single family, depending on the family members' familial and tax relationships to each other.

(2) Once the individual's household is established, financial eligibility is determined by using the total of all countable monthly income for each person in that individual's MassHealth MAGI or Disabled Adult household. Income of all the household members forms the basis for establishing an individual's eligibility.

(a) 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(M).

(b) 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(D).

(c) In determining monthly income, the MassHealth agency multiplies average weekly income by 4.333.

(3) 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) Multiply the annual 100% figure posted in the Federal Register by the applicable federal poverty level income standard.

(2) Round these annual figures up to the nearest hundredth.

(3) Divide by 12 to arrive at the monthly income standards.

130 CMR 506.007(A), (B), (C).

506.011: MassHealth Premiums and the Children's Medical Security Plan (CMSP) Premiums

The MassHealth agency 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. The MassHealth agency may charge a monthly premium to members of the Children's Medical Security Plan (CMSP) who have incomes at or above 200% of the FPL. MassHealth and CMSP premiums 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 130 CMR 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).

(A) Premium Billing Family Groups.

- (1) Premium formula calculations for MassHealth and CMSP premiums are based on premium billing family groups (PBFG). A PBFG is comprised of
 - (a) an individual;
 - (b) a couple who are two persons married to each other according to the rules of the Commonwealth of Massachusetts and are living together; or
 - (c) a family who live together and consist of
 1. a child or children younger than 19 years old, any of their children, and their parents;
 2. siblings younger than 19 years old and any of their children who live together, even if no adult parent or caretaker is living in the home; or
 3. a child or children younger than 19 years old, any of their children, and their caretaker relative when no parent is living in the home.
- (2) A child who is absent from the home to attend school is considered as living in the home.
- (3) A parent may be natural, adoptive, or a stepparent. Two parents are members of the same PBFG as long as they are mutually responsible for one or more children who live with them.
- (4) In a family with more than one child, any child with a MAGI household income that does not exceed 300% FPL will have its premium liability determined based on the MAGI household income of the child in the family PBFG with the lowest percentage of the FPL. If a child in the PBFG has an income percentage of the FPL at or below 150% of the FPL, premiums for all children in the PBFG are waived.
- (5) MassHealth and CMSP premiums for children with a MassHealth MAGI household income greater than 300% of the FPL and all premiums for young adults and adults are calculated using the individual's FPL and the corresponding premium amount as described in 130 CMR 506.011.
- (6) For individuals within a PBFG that is approved for more than one premium billing coverage type, except where application of 130 CMR 506.011(A)(4) will result in a lower

premium for children in the PBFG, the following apply.

(a) When the PBFG contains members in more than one coverage type or program, including CMSP, and who are responsible for a premium or required member contribution, the PBFG is responsible for only the higher premium or required member contribution.

(b) When the PBFG includes a parent or caretaker relative who is paying a premium for and is receiving Qualified Health Plan (QHP) with Premium Tax Credits, the premiums for children in the PBFG are waived once the parent or caretaker relative enrolls in and pays for a QHP.

(B) MassHealth and Children's Medical Security Plan (CMSP) Premium Formulas

....

(2) The premium formulas for MassHealth CommonHealth members whose eligibility is described in 130 CMR 505.004(B): *Disabled Working Adults* through (G): *Disabled Children Younger than 18 Years Old* are as follows.

....

(b) The full premium formula for young adults with household income above 150% of the FPL, adults with household income above 150% of the FPL, and children with household income above 300% of the FPL is provided as follows. The full premium is charged to members who have no health insurance and to members for whom the MassHealth agency is paying a portion of their health insurance premium.

CommonHealth Full Premium Formula Young Adults and Adults above 150% of the FPL and Children above 300% of the FPL		
Base Premium	Additional Premium Cost	Range of Monthly Premium Cost
Above 150% FPL—start at \$15	Add \$5 for each additional 10% FPL until 200% FPL	\$15 — \$35
Above 200% FPL—start at \$40	Add \$8 for each additional 10% FPL until 400% FPL	\$40 — \$192
Above 400% FPL—start at \$202	Add \$10 for each additional 10% FPL until 600% FPL	\$202 — \$392
Above 600% FPL—start at \$404	Add \$12 for each additional 10% FPL until 800% FPL	\$404 — \$632
Above 800% FPL—start at \$646	Add \$14 for each additional 10% FPL until 1000%	\$646 — \$912
Above 1000%	Add \$16 for each	\$928 + greater

FPL—start at \$928	additional 10% FPL	
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(c) The supplemental premium formula for young adults, adults, and children with household income above 300% of the FPL is provided as follows. A lower supplemental premium is charged to members who have health insurance to which the MassHealth agency does not contribute. Members receiving a premium assistance payment from the MassHealth agency are not eligible for the supplemental premium rate.

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 1000%	80% of full premium
Above 1000%	85% of full premium

130 CMR 506.011(A), (B)(2)(b) & (c).

Here, the Appellant is a disabled adult with a household size of one. The Appellant's income is consists of \$2,928/month in Social Security income and \$197/month in long-term disability, which totals a monthly income of \$3,125. Five percentage points of the current federal poverty level for a household size of one is \$65.25 ($\$1,305 \times 5\% = \65.25). 130 CMR 506.007(A)(3). Therefore, the Appellant's monthly income is \$3,059.75 ($\$3,125 - \$65.25 = \$3,059.75$). 130 CMR 506.007(A). This is 234.46% of the federal poverty level, based on the 2025 *Federal Register*, which states that 100% of the federal poverty level is \$1,305 for a household of one ($\$3,059.75 / 1305 = 234.46\%$). 130 CMR 506.007. Accordingly, based on the MassHealth CommonHealth premium formula, the Appellant's monthly premium should be \$41.60 ($\$40 + (\$8 \times 3) = \$64 \times 65\% = \41.60). 130 CMR 506.011(B)(2)(b) & (c). Therefore, MassHealth erred in charging the Appellant \$2,448 for his February 2025 premium. Accordingly, the appeal is approved.

Order for MassHealth

Rescind the January 21, 2025 notice and eliminate the \$2,448 premium charge. Correct the Appellant's CommonHealth premium to \$41.60/month.

Implementation of this Decision

If this decision is not implemented within 30 days after the date of this decision, you should

contact your MassHealth Enrollment Center. If you experience problems with the implementation of this decision, you should report this in writing to the Director of the Board of Hearings, at the address on the first page of this decision.

Emily Sabo
Hearing Officer
Board of Hearings

[REDACTED]

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

cc: MassHealth Representative: Maximus Premium Billing