

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2505326
Decision Date:	05/6/2025	Hearing Date:	4/24/2025
Hearing Officer:	Cynthia Kopka		

Appearance for Appellant:
Pro se

Appearance for MassHealth:
Elizabeth Nickoson, Taunton 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:	Community eligibility, under 65, income
Decision Date:	05/06/2025	Hearing Date:	4/24/2025
MassHealth's Rep.:	Elizabeth Nickoson	Appellant's Rep.:	Pro se
Hearing Location:	Taunton (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

By notices dated March 7, 2025, MassHealth determined Appellant's two children were not eligible for a MassHealth benefit. Exhibit 1. Appellant filed this appeal in a timely manner on April 3, 2025. Exhibit 2. 130 CMR 610.015(B). Denial of assistance is a valid basis for appeal. 130 CMR 610.032.

Action Taken by MassHealth

MassHealth determined Appellant's two children were not eligible for a MassHealth benefit.

Issue

The appeal issue is whether MassHealth was correct in determining that Appellant's two children no longer qualified for MassHealth Family Assistance.

Summary of Evidence

The MassHealth representative and Appellant appeared by phone. A summary of testimony follows. Appellant is in a household of four with her spouse and two minor children. At issue is eligibility for Appellant's children, who previously had Family Assistance as secondary coverage to their private Blue Cross Blue Shield insurance. In January 2024, MassHealth determined that Appellant's monthly household income was too high to qualify for Family Assistance. MassHealth approved the two children for continuing eligibility which would expire in one year. Appellant's children were terminated from Family Assistance continuing eligibility on January 31, 2025.

On March 16, 2025, MassHealth received verification of Appellant's income. On March 17, 2025, MassHealth notified Appellant that her children do not qualify for a MassHealth benefit. Exhibit 1. The notice states that Appellant's children are not eligible because they have other health insurance. *Id.* The MassHealth representative testified that the reason the notice issued was that the household income was above 300% of the federal poverty level (FPL), the threshold for Family Assistance. MassHealth calculated Appellant's monthly household income to be \$12,233.04, with Appellant's income at \$911.15 biweekly and her spouse's income at \$4,734.00 biweekly. MassHealth corrected Appellant's income, as she works for a school and only earns income for ten months of the year. With the adjusted income calculation, MassHealth determined that the household income is at 439.32% of the FPL.

After the appeal was filed, Appellant's older child was determined to qualify for MassHealth CommonHealth as a disabled child. On April 22, 2025, MassHealth notified Appellant that her child was approved with a monthly premium. As the income was updated at hearing, MassHealth recalculated the premium to be \$162.40 per month. The MassHealth representative testified that a new notice would issue with the corrected amount.

Appellant testified that she had not been aware that her children were approved for continuing eligibility that would expire. Appellant discussed the income changes that had occurred in the household, as her new job and her spouse's company changeover had caused fluctuations, but confirmed the amounts corrected at hearing.

Findings of Fact

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

1. Appellant is in a household of four with her spouse and two minor children.
2. On March 16, 2025, MassHealth received verification of Appellant's income. On March 17, 2025, MassHealth notified Appellant that her children do not qualify for a MassHealth benefit. Exhibit 1.

3. Appellant filed this timely appeal on April 3, 2025. Exhibit 2.
4. Appellant's income at \$911.15 biweekly for ten months of the year, or \$19,740.00 annually. Her spouse's income is \$4,734.00 biweekly, or \$123,084.00 annually.
5. In 2025, the monthly FPL for a household of four is \$2,680.00 monthly or \$32,160.00 annually; 300% of the FPL is \$8,038.00 monthly or \$96,456.00 annually.

Analysis and Conclusions of Law

MassHealth regulations at 130 CMR 505.000 *et seq.* explain the categorical requirements and financial standards that must be met to qualify for a 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) MassHealth Standard – for people who are pregnant, 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 (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;
- (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 – for certain Medicare beneficiaries.

130 CMR 505.001(A).

In order to establish eligibility for MassHealth benefits, applicants must meet both the categorical and financial requirements. MassHealth determines financial eligibility based on an applicant's modified adjusted gross income. MassHealth takes 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) and subtracts deductions described in 130 CMR 506.003(D). 130 CMR 506.007. Per 130 CMR 506.003, the regulatory definitions of earned income, unearned income and deductions are as follows:

(A) Earned Income.

(1) Earned income is the total amount of taxable compensation received for work or services performed less pretax deductions. Earned income may include wages, salaries, tips, commissions, and bonuses.

(2) Earned taxable income for the self-employed is the total amount of taxable annual income from self-employment after deducting annual business expenses listed or allowable on a U.S. Individual Tax Return. Self-employment income may be a profit or a loss.

(3) Earned income from S-Corporations or Partnerships is the total amount of taxable annual profit (or loss) after deducting business expenses listed or allowable on a U.S. Individual Tax Return.

(4) Seasonal income or other reasonably predictable future income is taxable income derived from an income source that may fluctuate during the year. Annual gross taxable income is divided by 12 to obtain a monthly taxable gross income with the following exception: if the applicant or member has a disabling illness or accident during or after the seasonal employment or other reasonably predictable future income period that prevents the person's continued or future employment, only current taxable income will be considered in the eligibility determination.

(B) Unearned Income.

(1) Unearned income is the total amount of taxable income that does not directly result from the individual's own labor after allowable deductions on the U.S. Individual Tax Return.

(2) Unearned income may include, but is not limited to, social security benefits, railroad retirement benefits, pensions, annuities, certain trusts, interest and dividend income, state or local tax refund for a tax you deducted in the previous year, and gross gambling income.

(C) Rental Income. Rental income is the total amount of taxable income less any deductions listed or allowable on an applicant's or member's U.S. Individual Tax Return.

(D) Deductions. Under federal law, the following deductions are allowed when calculating MAGI countable income. Changes to federal law may impact the availability of these deductions:

- (1) educator expenses;
- (2) reservist/performance artist/fee-based government official expenses;
- (3) health savings account;
- (4) moving expenses, for the amount and populations allowed under federal law;

- (5) one-half self-employment tax;
- (6) self-employment retirement account;
- (7) penalty on early withdrawal of savings;
- (8) alimony paid to a former spouse for individuals with alimony agreements finalized on or before December 31, 2018. Alimony payments under separation or divorce agreements finalized after December 31, 2018, or pre-existing agreements modified after December 31, 2018, are not deductible;
- (9) individual retirement account (IRA);
- (10) student loan interest;
- (11) scholarships, awards, or fellowships used solely for educational purposes;
- and
- (12) other deductions described in the Tax Cut and Jobs Act of 2017, Public Law 115-97 for as long as those deductions are in effect under federal law.

To be eligible for MassHealth Family Assistance, Appellant's monthly income would have to be less than or equal to 300% of the FPL. 130 CMR 505.005(A)(1). "[P]ersons eligible for MassHealth Family Assistance must obtain and maintain all available health insurance as described in 130 CMR 503.007: *Potential Sources of Health Care*." 130 CMR 505.005(A)(7).

Here, MassHealth calculated that Appellant's household income is 439.32% of the FPL, which exceeds the 300% limit to qualify for Family Assistance.

Appellant's older daughter is eligible for MassHealth CommonHealth. 130 CMR 505.004(C). According to 130 CMR 505.004(I), individuals eligible for CommonHealth may be assessed a premium in accordance with the premium schedule provided in 130 CMR 506.011(B)(2). For children above 300% of the FPL, MassHealth uses the following formula:

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	\$404 — \$632

	800% FPL	
Above 800% FPL—start at \$646	Add \$14 for each additional 10% FPL until 1000%	\$646 — \$912
Above 1000% FPL—start at \$928	Add \$16 for each additional 10% FPL	\$928 + greater

130 CMR 506.011(B)(2)(b). Members who have health insurance to which MassHealth does not contribute may receive a lower supplemental premium, 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 1000%	80% of full premium
Above 1000%	85% of full premium

130 CMR 506.011(B)(2)(c).

According to the chart, at 439.32% of the FPL, Appellant’s full CommonHealth premium would be \$232 per month. Appellant has other insurance and is entitled to pay only 70% of the supplemental premium, which would be \$162.40. 130 CMR 506.011(B)(2)(c).

As MassHealth correctly determined that Appellant’s children did not qualify for Family Assistance at the time of the March 17, 2025 notice, 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.

Cynthia Kopka
Hearing Officer
Board of Hearings

MassHealth Representative: Justine Ferreira, Taunton MassHealth Enrollment Center, 21 Spring St., Ste. 4, Taunton, MA 02780, 508-828-4616