

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2505727
Decision Date:	06/24/2025	Hearing Date:	05/14/2025
Hearing Officer:	Amy B. Kullar, Esq.		

Appearance for Appellant:



Appearance for MassHealth:

Andreia Dacosta, Charlestown 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; Income
Decision Date:	06/24/2025	Hearing Date:	05/14/2025
MassHealth's Rep.:	Andreia Dacosta	Appellant's Rep.:	██████
Hearing Location:	Charlestown MassHealth Enrollment Center - Room 1 (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 March 27, 2025, MassHealth informed the appellant that her coverage was being downgraded from MassHealth Standard to Health Safety Net because she no longer meets the income requirement for MassHealth Standard, and that her MassHealth Standard coverage was ending on April 30, 2025. *See* 130 CMR 505.002 and Exhibit 1. The appellant filed this appeal in a timely manner on April 10, 2025. *See* 130 CMR 610.015(B) and Exhibit 2. Termination of assistance is valid grounds for appeal. *See* 130 CMR 610.032.

Action Taken by MassHealth

MassHealth informed the appellant that her coverage was being downgraded from MassHealth Standard to Health Safety Net because she no longer meets the income requirement for MassHealth Standard, and that her MassHealth Standard coverage was ending on April 30, 2025.

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 65 who resides in a household of three, consisting of the appellant and her two minor children¹. The appellant appeared telephonically and verified her identity. MassHealth was represented by a worker from the Charlestown MassHealth Enrollment Center, who appeared telephonically. The following is a summary of the testimony and documentary evidence presented at hearing:

The MassHealth representative testified that in March 2025, as part of the appellant's annual renewal, MassHealth issued the appellant a notice requesting that she return a job update form to MassHealth. The appellant timely returned the job update form to MassHealth, and it was processed on March 27, 2025. Based upon the information provided on her job update form, the appellant resides in a household of three and had a verified income of approximately \$3,180.00 monthly, which equates to a federal poverty level (FPL) of 149.17% for her household. As a result, the March 27, 2025 downgrade notice was issued to the appellant. Testimony. In order for the appellant to qualify for MassHealth benefits, her monthly household income cannot exceed \$2,954.00. The appellant's monthly income slightly exceeds this threshold. Testimony.

The appellant testified that she is presently experiencing severe financial and personal hardship. Her home is in foreclosure, her electricity has been turned off, she has been unable to complete her taxes, and she believes that MassHealth has overstated her income. She stated that she only has one source of employment right now; she is no longer employed at her second job at a local elementary school. Testimony. In response, the MassHealth representative stated that MassHealth only has one source of employment listed for the appellant, and that the appellant's gross income for her current, and only, job was verified in March 2025, with the paystubs that the appellant provided to MassHealth herself. After discussion, the appellant agreed that MassHealth has her correct income and employment information.

The appellant testified that she is frustrated with losing her MassHealth coverage; she believes the Health Safety Net coverage is insufficient. The appellant shared that she is having issues with outstanding medical bills. The appellant denied being pregnant, and she has not been diagnosed with HIV, breast cancer, or cervical cancer. The appellant stated that she suffers from several chronic illnesses, and that her car has a disability placard on it due to her limited mobility. After

¹ The appellant's minor children remain eligible for and active on MassHealth Standard. Testimony of MassHealth Representative.

questioning by the Hearing Officer, it was learned that the appellant had previously submitted a disability supplement to MassHealth on two prior occasions and had been determined to be “not disabled” both times. After the appellant described her current medical issues, the MassHealth representative stated that she would send the appellant a new disability supplement to complete and return to UMass Disability Evaluation Services.

Findings of Fact

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

1. The appellant is an adult under the age of 65 who resides in a household of three that consists of the appellant and her two minor children. Exhibit 4, Testimony.
2. On March 27, 2025, MassHealth informed the appellant that her coverage was being downgraded from MassHealth Standard to Health Safety Net because she no longer meets the income requirement for MassHealth Standard, and that her MassHealth Standard coverage was ending on April 30, 2025. Exhibit 1.
3. The appellant filed a timely appeal on April 10, 2025. Exhibit 2.
4. The appellant earns income that amounts to a monthly income of \$3,180.00. Testimony.
5. In 2025, a monthly income at 133% of the federal poverty level equates to \$2,954.00 for a household of three. 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 21 through 64 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).

Parents of minor children can remain eligible for MassHealth Standard benefits:

(C) Eligibility Requirements for Parents and Caretaker Relatives.

- (1) A parent or caretaker relative of a child younger than 19 years old is eligible for MassHealth Standard coverage if
 - (a) the modified adjusted gross income of the MassHealth MAGI household is less than or equal to 133% of the federal poverty level (FPL);
 - (b) the individual is a citizen as described at 130 CMR 504.002: *U.S. Citizens* or a qualified noncitizen as described in 130 CMR 504.003(A)(1): *Qualified Noncitizens*; and
 - (c) 1. the parent lives with their children, and assumes primary responsibility for the child's care in the case of a parent who is separated or divorced, has custody of their children, or have children who are absent from home to attend school; or
2. the caretaker relative lives with children to whom they are related by blood, adoption, or marriage (including stepsiblings), or is a spouse or former spouse of one of those relatives, and assumes primary responsibility for the child's care, if neither parent lives in the home.
- (2) The parent or caretaker relative complies with 130 CMR 505.002(M).

130 CMR 505.002(C).

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 and MassHealth Standard as the parent of minor children. The question then remains as to whether she meets the income requirements to qualify.

An individual between the ages of 21 and 64 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 three. Based on 2025 MassHealth Income Standards and Federal Poverty Guidelines, 133% of the federal poverty level equates to a monthly income of \$2,954.00. 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 monthly MAGI to equal \$3,180.00, which the appellant could not dispute, since she herself provided the job update form and March 2025 paystubs to MassHealth as proof of her income. At the hearing, the appellant agreed that her income is correctly calculated by MassHealth.

As the amount of the appellant's verified monthly 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 monthly income is over 133% of the federal poverty level, MassHealth did not err in issuing the March 27, 2025, notice informing the appellant that her coverage was being downgraded to the Health Safety Net.

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