

# Office of Medicaid BOARD OF HEARINGS

**Appellant Name and Address:**



<b>Appeal Decision:</b>	Denied	<b>Appeal Number:</b>	2506355
<b>Decision Date:</b>	8/19/2025	<b>Hearing Date:</b>	5/28/2025
<b>Hearing Officer:</b>	Patrick Grogan	<b>Record Open to:</b>	7/18/2025

**Appearance for Appellant:**



**Appearance for MassHealth:**

Sarah Santos Plassmann, MassHealth  
Charlestown

**Interpreter:**

N/A



*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

<b>Appeal Decision:</b>	Denied	<b>Issue:</b>	Eligibility under 65, Income
<b>Decision Date:</b>	8/19/2025	<b>Hearing Date:</b>	5/28/2025
<b>MassHealth's Rep.:</b>	Sarah Santos Plassmann	<b>Appellant's Rep.:</b>	
<b>Hearing Location:</b>	Remote (Tel)	<b>Aid Pending:</b>	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 April 18, 2025, MassHealth denied the Appellant's application for MassHealth benefits because MassHealth determined that the Appellant's income was too high. (Exhibit 1). The Appellant filed this appeal in a timely manner on April 18, 2025. (130 CMR 610.015(B); Exhibit 2). Denial of assistance is valid grounds for appeal (130 CMR 610.032).

### Action Taken by MassHealth

MassHealth determined that the Appellant is not eligible for MassHealth because the Appellant has more countable income than MassHealth Regulations allow.

### Issue

The appeal issue is whether MassHealth was correct in determining that the Appellant was over income to qualify for MassHealth benefits.

### Summary of Evidence

MassHealth testified that the Appellant is an adult under the age 65, who lives in a household of three. (Testimony) MassHealth testified there was no disability attributed to the Appellant. (Testimony) MassHealth explained that the Appellant had been approved for MassHealth Standard on account of her [REDACTED] (Testimony) MassHealth stated that the Appellant's household income totaled \$6,327.05 gross per month, exceeding the limit for MassHealth Standard. (Testimony) MassHealth explained that the Appellant's monthly income totals: \$3,835/month, from Appellant, \$2,492.05/month from the Appellant's tax dependent daughter's income, and the Appellant's \$1,191.58/month from the Appellant's tax dependent son's income. MassHealth explained that the limit for MassHealth for a household of 3 for MassHealth Standard for individuals with [REDACTED] is \$5,553/month. (Testimony)

The Appellant confirmed the accuracy of the monthly income amounts<sup>1</sup>. (Testimony) The Appellant explained that the Appellant is still undergoing treatment for [REDACTED] has surgery scheduled for the beginning of [REDACTED] [REDACTED] (Testimony)

In response to inquiry posed, MassHealth was unable to explain how MassHealth interprets 130 CMR 505.002(F)(3), which states: "(3) Duration of Eligibility. Individuals meeting the requirements of 130 CMR 505.002(F) are eligible for MassHealth Standard for the duration of their [REDACTED] treatment." The Record was left open 1) for MassHealth to research the application of 130 CMR 505.002(F)(3), 2) for MassHealth to send to the Appellant 2 DES supplements<sup>2</sup>, and 3) for the Appellant to submit a note from a treating physician confirming that she is being treated for [REDACTED] (Exhibit 6) The Record was extended until June 27, 2025 for the parties. (Exhibit 6)

Pursuant to the Record Open form, the Record closed on June 27, 2025 for both parties. (Exhibit 6) On July 1, 2025, a submission was received from MassHealth. (Exhibit 7) Within MassHealth's submission, MassHealth confirms that DES supplements were mailed to the Appellant<sup>3</sup>, and MassHealth relies on the plain text of 130 CMR 505.002(F)(3) to support the denial. (Exhibit 7) On July 2 emails were received from the Appellant. (Exhibit 8). On July 3, 2025,

---

<sup>1</sup> Based upon the testimony, the Appellant's household monthly income is \$7,518.63, or \$90,223.56 a year (\$3835 + 2492.05 + 1191.58 = \$7,518.63 x 12 = \$90,223.56). The tax dependent son's income was not included in the total MassHealth provided through initial testimony.

<sup>2</sup> MassHealth indicated that the Appellant (and the Appellant's daughter) may have a qualified disability. The Appellant may file a Supplement with the Disability Evaluation Services (DES). If a disability is established, the Appellant may qualify for additional MassHealth benefits. The issue of the DES supplement, as well as any future determination from DES is separate from the instant appeal. The Appellant retains the right to appeal future MassHealth determinations.

<sup>3</sup> The Appellant indicated the DES supplements were not received. MassHealth confirmed having sent the DES supplements to the Appellant, and provided additional information as to where the Appellant may obtain the DES supplements on-line. (Exhibit 10)

a letter from the Appellant's [REDACTED] was provided. (Exhibit 8). Since these submissions fall outside of the Record Open period, in an abundance of fairness to the parties, the Record was reopened and the submission were incorporated into the Record. (Exhibit 9) The Record was further extended for the Parties until July 18, 2025. (Exhibit 9) The Appellant submitted additional documentation including communication indicating that she was on leave for the month of July with no income<sup>4</sup>. (Exhibit 11) The Record closed for both parties on Friday, July 18, 2025. (Exhibit 9)

## Findings of Fact

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

1. Appellant is an adult, under the age of 65, has no disability attributed, is a person who has been diagnosed with [REDACTED] and lives in a household of three. (Testimony).
2. The Appellant's household has a gross monthly income of \$7,518.63: Appellant's monthly income totals \$3,835, the Appellant's tax dependent daughter's monthly income totals \$2,492.05, and the Appellant's dependent son's monthly income totals \$1,191.58.
3. The Record was left open 1) for MassHealth to research the application of 130 CMR 505.002(F)(3), 2) for MassHealth to send to the Appellant 2 DES supplements, and 3) for the Appellant to submit a note from a treating physician confirming that she is being treated for [REDACTED] (Exhibit 6) until June 27, 2025 for the parties. (Exhibit 6)
4. The Record was reopened and late submission, from both Parties, were incorporated into the Record. (Exhibit 9) The Record was further extended for the Parties until July 18, 2025. (Exhibit 9)
5. For 2025, 250% of the Federal Poverty Level is \$5,553.00 a month, or \$66,636.00 a year, for a household of three. (2025 MassHealth Income Standards and Federal Poverty Guidelines).

## Analysis and Conclusions of Law

---

<sup>4</sup> Utilizing either the total of the yearly household income as provided through testimony (\$90,223.56), or MassHealth's calculation (\$75,924.60), excluding one month of the Appellant's income for July of 2025 (\$3,835) does not render the Appellant yearly household income at or below 250% of the Federal Poverty Level for a household of three for 2025.

The Appellant challenges MassHealth's determination that the Appellant's income is too high for MassHealth benefits. (Exhibit 1, Exhibit 2) MassHealth Regulations at 505.001 describe MassHealth coverage types:

**505.001: Introduction**

130 CMR 505.000 explains 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.

(A) The MassHealth coverage types are the following:

- (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 old who are not eligible for MassHealth Standard;
- (4) MassHealth Family Assistance S 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 (MSP, also called Senior Buy-in and Buy-in) – for certain Medicare beneficiaries.

MassHealth utilizes countable household income, subtracting specific enumerated deductions in calculating income attributed to an applicant as codified within 130 CMR 506.003:

**506.003: Countable Household Income**

Countable household 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).

(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.

MassHealth's calculus for determining financial eligibility is codified within the Regulations at 130 CMR 506.007:

**506.007: Calculation of Financial Eligibility**

The rules in 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 in 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.

The Appellant is an adult under the age of 65, who is not disabled, who is a parent and who resides in a household of three. The applicable MassHealth benefit program for an adult, under the age of 65, who is not disabled, who is a parent, is MassHealth Standard. MassHealth Standard's requirement for eligibility is codified within the Regulations at 130 CMR 505.002:

**505.002: MassHealth Standard**

(A) Overview.

(1) 130 CMR 505.002 contains the categorical requirements and financial standards for MassHealth Standard serving children, young adults, parents, caretaker relatives, people who are pregnant, disabled individuals, certain individuals with breast or cervical cancer, certain individuals who are HIV positive, independent foster-care adolescents, Department of Mental Health members, and medically frail as such term is defined in 130 CMR 505.008(F).



(F) Individuals with Breast or Cervical Cancer.

(1) Eligibility Requirements. An individual with breast or cervical cancer is eligible for MassHealth Standard coverage if they meet all of the following requirements:

(a) the individual is younger than 65 years old;

(b) the individual has been certified by a physician to be in need of treatment for breast or cervical cancer, including precancerous conditions;



(c) the modified adjusted gross income of the MassHealth MAGI household is less than or equal to 250% of the federal poverty level (FPL);  
(d) for individuals with breast or cervical cancer whose MassHealth MAGI household modified adjusted gross income is greater than 133% of the FPL, but does not exceed 250% of the FPL, the individual must

1. be uninsured; or
2. have insurance that does not provide creditable coverage. An individual is not considered to have creditable coverage when the individual is in a period of exclusion for treatment of breast or cervical cancer, has exhausted the lifetime limit on all benefits under the plan, including treatment of breast or cervical cancer, or has limited scope coverage or coverage only for specified illness; or
3. be an American Indian or Alaska Native who is provided care through a medical care program of the Indian Health Service or of a tribal organization;

(e) the individual is 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; and

(f) the individual does not otherwise meet the requirements for MassHealth Standard described at 130 CMR 505.002(B) through (E).

(2) Premiums. Individuals who meet the requirements of 130 CMR 505.002(F) are assessed a monthly premium in accordance with 130 CMR 506.011: MassHealth and the Children's Medical Security Plan (CMSP) Premiums.

(3) Duration of Eligibility. Individuals meeting the requirements of 130 CMR 505.002(F) are eligible for MassHealth Standard for the duration of their cancer treatment.

The Appellant has the burden "to demonstrate the invalidity of the administrative determination." Andrews v. Division of Medical Assistance, 68 Mass. App. Ct. 228. See also Fisch v. Board of Registration in Med., 437 Mass. 128, 131 (2002); Faith Assembly of God of S. Dennis & Hyannis, Inc. v. State Bldg. Code Commn., 11 Mass. App. Ct. 333, 334 (1981); Haverhill Mun. Hosp. v. Commissioner of the Div. of Med. Assistance, 45 Mass. App. Ct. 386, 390 (1998).

In order for the Appellant to be deemed eligible for MassHealth Standard, for individuals with [REDACTED] the Appellant's modified adjusted gross income of the MassHealth MAGI household must be less than or equal to 250% of the federal poverty level (FPL). The Appellant lives in a household of three and has a gross monthly income of \$7,518.63. (Testimony)

Pursuant to 130 CMR 506.007(A)(3), 5 percentage points of the current FPL is deducted to determine countable income. For a household of three, 5 percentage points of the current FPL equals \$111.05. Accordingly, the Appellant's countable household income is \$7,407.58. In

order to qualify for coverage to continue to cover [REDACTED] a member's income must not exceed 250% of the Federal Poverty level. (130 CMR 505.002(F)(c))

For 2025, 250% of the Federal Poverty Level is \$5,553.00 a month for a household of three. (2025 MassHealth Income Standards and Federal Poverty Guidelines). The Appellant's household income exceeds this level<sup>5</sup>. The Appellant has not met the burden, by a preponderance of evidence, to show that MassHealth's administrative determination is invalid. Accordingly, this appeal is DENIED.

## Order for MassHealth

End 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.

---

Patrick Grogan  
Hearing Officer  
Board of Hearings

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

---

<sup>5</sup> The Appellant's income exceeds 250% of the Federal Poverty Level, utilizing the monthly amount of \$6,327.05 or the complete total of the combined incomes, \$7,518.63.