

# Office of Medicaid BOARD OF HEARINGS

**Appellant Name and Address:**



<b>Appeal Decision:</b>	Denied	<b>Appeal Number:</b>	2506406
<b>Decision Date:</b>	07/25/2025	<b>Hearing Date:</b>	06/03/2025
<b>Hearing Officer:</b>	Christine Therrien		

**Appearances for Appellant:**



**Appearance for MassHealth:**

Jonathan Gonzalez, Charlestown



*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>	PPA; MMMNA
<b>Decision Date:</b>	07/25/2025	<b>Hearing Date:</b>	06/03/2025
<b>MassHealth's Rep.:</b>	Jonathan Gonzalez	<b>Appellant's Reps.:</b>	[REDACTED]
<b>Hearing Location:</b>	Charlestown MassHealth Enrollment Center - Telephonic		

### 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 3/12/25, MassHealth notified the appellant that on 4/1/25, the monthly patient-paid amount (PPA) was changing from \$0 to \$387.25 because his countable income increased. (Exhibit 1). The appellant filed this appeal in a timely manner on 12/6/23. (130 CMR 610.015(B) and Exhibit 2). Denial of assistance is valid grounds for appeal (130 CMR 610.032).

### Action Taken by MassHealth

MassHealth changed the appellant's PPA to \$387.25.

### Issue

The appeal issue is whether MassHealth was correct, pursuant to 130 CMR 520.014, in determining that the appellant's PPA is \$387.25.

### Summary of Evidence

MassHealth testified that the appellant's Patient-Paid Amount (PPA) increased from \$0 to \$387.25 because the countable income increased. The appellant currently resides in a nursing home, and his spouse resides in the community. The appellant has an income of \$1,546.00 per month, and after deductions of \$72.80 Personal Needs Allowance (PNA), \$978.79 spousal maintenance needs allowance (SMNA), and \$107.16 other health insurance, MassHealth calculated a PPA of \$387.25. MassHealth submitted as evidence a worksheet calculating the community spouse's maximum monthly maintenance needs allowance (MMMNA). (Exhibit 5). MassHealth calculated the appellant's SMNA as follows: shelter expenses of \$1,905.96 for mortgage/taxes/insurance, plus \$890 food stamp/utility allowance, equals \$2,795.96 total shelter expenses.<sup>1</sup> Next, MassHealth took \$2,795.96 and subtracted a \$766 standard shelter expense to get an excess shelter amount of \$2,029.46. MassHealth then added a \$2,555 federal standard maintenance allowance, yielding \$4,584. The standard MMMNA is \$3,948. The lower of the actual MMMNA and the standard MMMNA is used to calculate the SMNA; the community spouse's monthly income as of June 2025 is \$2,969.21, less \$3,948 standard MMMNA, yielding \$978.79 for the SMNA.<sup>2</sup> The prior PPA calculated in January 2025 used the community spouse's monthly income at that time of \$2,456.91.<sup>3</sup>

The community spouse testified that her taxes and homeowner's insurance both increased. The appellant provided her 2024 Form 1098 showing the annual homeowners' insurance as \$1,445, which is \$120.42 a month, and the annual real estate taxes as \$5,069.88, which is \$422.49 per month. (Exhibit 2). The community spouse testified that her income does not cover her housing expenses.

## Findings of Fact

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

1. MassHealth informed the appellant that his monthly PPA increased from \$0 to \$387.25 effective 4/1/25 because his countable income increased.
2. The appellant currently resides in a nursing home, and his spouse resides in the community.
3. The appellant has an income of \$1,546, and after deductions of \$72.80 Personal Needs Allowance (PNA), \$978.79 SMNA, and \$107.16 other health insurance, MassHealth calculated a PPA of \$387.25.

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<sup>1</sup> Mortgage \$1470.34 + homeowners' insurance of \$103.83 + Taxes \$331.79. (MassHealth Testimony).

<sup>2</sup> Community spouse's income consists of \$1,091 SSI + \$1,878.21 Pension.

<sup>3</sup> Community spouse's income as of January 2025 consisted of \$578.70 SSI + \$1,878.21 Pension

4. MassHealth calculated the appellant's SMNA: shelter expenses of \$1,905.96 for mortgage/taxes/insurance, plus \$890 food stamp/utility allowance, equals \$2,795.96 total shelter expenses.
5. MassHealth took \$2,795.96 and subtracted a \$766 standard shelter expense to get an excess shelter amount of \$2,029.46.
6. MassHealth then added a \$2,555 federal standard maintenance allowance to the excess shelter amount, yielding \$4,584.
7. The standard MMMNA is \$3,948.
8. MassHealth uses the lower of the actual MMMNA and the standard MMMNA to calculate the SMNA.
9. The community spouse's monthly income as of June 2025 is \$2,969.21, less \$3,948 standard MMMNA, yielding \$978.79 of the SMNA.
10. The prior PPA calculated in January 2025 used the community spouse's monthly income at that time of \$2,456.91.
11. The community spouse's taxes and homeowner's insurance both increased. The appellant provided her 2024 Form 1098 showing the annual homeowners' insurance as \$1,445, which is \$120.42 a month, and the annual real estate taxes as \$5,069.88, which is \$422.49 per month.

## **Analysis and Conclusions of Law**

After the institutionalized spouse has received notice of either approval or denial for MassHealth, either spouse may appeal to the Board of Hearings the calculation of income available to the community spouse and request an increase in the MMMNA, based on exceptional circumstances. (130 CMR 520.017(D)(1)). If the community spouse's gross income is less than the amount he or she needs to live in the community (minimum-monthly-maintenance-needs allowance, MMMNA), MassHealth may deduct an amount from the institutionalized spouse's countable-income amount to meet this need. This amount is the spousal-maintenance-needs deduction (SMNA). This deduction is the amount by which the minimum-monthly-maintenance-needs allowance exceeds the community spouse's gross income. The regulations require MassHealth to use the actual MMMNA, or a maximum-monthly-maintenance-needs allowance of \$3,948 per month, whichever is lower when calculating the SMNA unless it has been increased as the result of a fair-hearing decision based

on exceptional circumstances.<sup>4</sup>

Exceptional circumstances exist when there are circumstances other than those already considered in establishing the maintenance standard for the community spouse under 130 CMR 520.025(B), and these circumstances result in significant financial duress. Since the federal standards used in calculating the MMMNA cover such necessities as food, shelter, clothing, and utilities, exceptional circumstances are limited to those necessities that arise from the medical condition, frailty, or similar special needs of the community spouse. Such necessities include but are not limited to, special remedial and support services and extraordinary uncovered medical expenses. Such expenses generally do not include car payments, even if the car is used for transportation to medical appointments, or home-maintenance expenses such as security systems and lawn care.<sup>5</sup>

The fair hearing officer ensures that no expense is counted more than once in the SMNA

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<sup>4</sup> 130 CMR 520.026: Long-Term-Care Income Standard. (B)Spousal-Maintenance-Needs-Deduction. If the community spouse's gross income is less than the amount he or she needs to live in the community (minimum-monthly-maintenance-needs allowance, MMMNA) as determined by the Division, the Division may deduct an amount from the institutionalized spouse's countable-income amount to meet this need. This amount is the spousal-maintenance-needs deduction. 130 CMR 520.026(B) applies to the first month of eligibility in an institution and terminates the first full calendar month in which the spouse is no longer in an institution or no longer has a spouse in the community. This deduction is the amount by which the minimum-monthly-maintenance-needs allowance exceeds the community spouse's gross income. (1) The MassHealth agency determines the MMMNA by adding the following amounts: (a) \$1,822 (the federal standard maintenance allowance); and (b) an excess shelter allowance determined by calculating the difference between the standard shelter expense of \$739.50 and the shelter expenses for the community spouse's principal residence, including 1. the actual expenses for rent, mortgage (including interest and principal), property taxes and insurance, and any required maintenance charge for a condominium or cooperative; and 2. the applicable standard deduction under the Supplemental Nutrition Assistance Program for utility expenses. If heat is included in the rent or condominium fee, this amount is \$520. If heat is not included in the rent or condominium fee, this amount is \$852. (2) The maximum-monthly-maintenance-needs allowance is \$3,715.50 per month, unless it has been increased as the result of a fair-hearing decision based on exceptional circumstances in accordance with 130 CMR 520.017(D). See, <https://www.mass.gov/info-details/program-financial-guidelines-for-certain-masshealth-applicants-and-members#eligibility-figures-for-community-residents-age-65-or-older->, for current rates.

<sup>5</sup> 130 CMR 520.017: Right to Appeal the Asset Allowance or Monthly-Maintenance- Needs Allowance. (D) Adjustment to the Minimum-Monthly-Maintenance-Needs Allowance Due to Exceptional Circumstances After the institutionalized spouse has received notice of either approval or denial for MassHealth Standard, either spouse may appeal to the Board of Hearings the calculation of income available to the community spouse and request an increase in the MMMNA, based on exceptional circumstances, as defined in 130 CMR 520.017(D)(1). (1) Exceptional Circumstances. Exceptional circumstances exist when there are circumstances other than those already taken into account in establishing the maintenance standards for the community spouse under 130 CMR 520.026(B) and these circumstances result in significant financial duress. Since the federal standards used in calculating the MMMNA cover such necessities as food, shelter, clothing, and utilities, exceptional circumstances are limited to those necessities that arise from the medical condition, frailty, or similar special needs of the community spouse. Such necessities include, but are not limited to, special remedial and support services and extraordinary uncovered medical expenses. Such expenses generally do not include car payments, even if the car is used for transportation to medical appointments, or home-maintenance expenses such as security systems and lawn care.

calculation and that additional amounts are allowed only for specific expenses necessitated by exceptional circumstances of the community spouse, and not for maintaining any pre-set standard of living. (130 CMR 520.019(D)(1)).<sup>6</sup>

MassHealth calculated the community spouse's SMNA to be \$978.99. 130 CMR 520.017(D) allows an adjustment by the hearing officer to the MMMNA due to exceptional circumstances. The appellant's community spouse did not provide documentation to support an exceptional circumstance within the definition at 130 CMR 520.017. While the appellant's community spouse did provide proof that her shelter expenses have increased, this increase does not change the SMNA because the calculated MMMNA of \$4,691.75 is still in excess of the standard MMMNA of \$3,948; therefore, the SMNA remains the same.<sup>7</sup> MassHealth correctly calculated the institutionalized spouse's (appellant's) PPA as \$387.25.

The 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

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<sup>6</sup> 130 CMR 520.017(D)(2): Determination of Increase for Exceptional Circumstances. If the fair-hearing officer determines that exceptional circumstances exist, the fair-hearing officer may increase the community spouse's MMMNA to meet the expenses caused by the exceptional circumstances as follows. (a) The fair-hearing officer first verifies that the calculation of the gross income of the community spouse in determining the existing spousal-maintenance-needs deduction includes the income generated by the community spouse's asset allowance. If the community spouse has no assets remaining from the allowance, he or she must verify the dollar amount of the remaining assets, if any, and how the money was spent. The fair-hearing officer considers how the assets were spent in determining whether or not significant financial duress exists. (b) The fair-hearing officer determines the revised MMMNA by including in the calculation the amount needed to meet the exceptional circumstances. (c) The fair-hearing officer compares the revised MMMNA to the community spouse's total income. If the community spouse's total income is less than the amount of the revised MMMNA, the fair-hearing officer first deducts the personal-needs allowance from the institutionalized spouse's countable-income amount and then a spousal-maintenance-needs deduction needed to reach the revised MMMNA.

<sup>7</sup> \$2,013 new shelter expense + \$890 standard utility expense = \$2,903.25 – 766.50 standard shelter expense = \$2,136.75 excess shelter amount + \$2,555 FSMA = \$4,691.75.

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.

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Christine Therrien  
Hearing Officer  
Board of Hearings

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cc: MassHealth Representative: Thelma Lizano, Charlestown MassHealth Enrollment Center