

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2506743
Decision Date:	7/2/2025	Hearing Date:	06/02/2025
Hearing Officer:	Radha Tilva		

Appearance for Appellant:
Pro se

Appearance for MassHealth:
Carmen Rivera, Quincy MEC Rep.



*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:	Eligibility – under 65 - income
Decision Date:	7/2/2025	Hearing Date:	06/02/2025
MassHealth's Rep.:	Carmen Rivera	Appellant's Rep.:	Pro se
Hearing Location:	Quincy (telephonic)	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 April 1, 2025, MassHealth downgraded appellant's MassHealth Standard coverage from MassHealth Standard to Health Safety Net (Exhibit 1). The appellant filed this appeal in a timely manner on April 29, 2025 (see 130 CMR 610.015(B) and Exhibit 2). Denial of assistance is valid grounds for appeal (see 130 CMR 610.032).

Action Taken by MassHealth

MassHealth downgraded appellant's MassHealth Standard coverage to Health Safety Net.

Issue

The appeal issue is whether MassHealth was correct in determining that appellant is no longer eligible for MassHealth benefits?

Summary of Evidence

The MassHealth case worker appeared at hearing via telephone and provided the following chronology. On February 24, 2024 the appellant and her household had a federal poverty level of

140.36%. On [REDACTED] 2024 the appellant called in to report the birth of a newborn to her account. The birth was added to the account; however, the pregnancy was not removed and the household size remained at 8 in the system with a federal poverty level of 120.24%. This was corrected the same day to a household size of 7 with a new federal poverty level of 134.47%. A protection was placed on the head of household, the appellant, until March 31, 2025 through Transitional Medical Assistance (hereinafter "TMA"). The appellant was previously receiving MassHealth Standard benefits (Exhibit 3). A request for information was sent to get the [REDACTED] Social Security Number. On April 6, 2024 the head of household provided the Social Security Number for the newborn.

On February 10, 2025 the appellant called in to renew and update her income, which is seasonal employment, to \$205.00 monthly. The household income was updated to \$5,604.55 accordingly, with a modified adjusted gross income FPL of 137.07%. On March 5, 2025, due to a federal increase in the FPL, the new FPL was updated to 133.24% for the household. On March 31, 2025 the postpartum protection that was on the account ended and the notice on appeal, dated April 1, 2025, issued downgrading the coverage from MassHealth Standard to Health Safety Net for the appellant as her income was too high. The appellant was also informed at that time that she was eligible for the Health Connector. On April 29, 2025, as a result of her timely appeal and request for protection, the Board of Hearings placed a protection on the case keeping appellant on MassHealth Standard benefits. At the hearing the MassHealth case worker ran the income again based on appellant's report that she works only seasonally, and the FPL changed to 140.43% for a household size of 7. The gross monthly income was entered into the system as \$5,896.03, which is 145.43% of the FPL for a family of 7. MassHealth allows a 5% FPL disregard and thus the appellant's countable income is 140.43% of the FPL. (130 CMR 506.007(A)(3)).

The MassHealth case worker explained that the children all remained on MassHealth Standard benefits as their income is below 150% and there is a continuous eligibility protection through November 30, 2025. The [REDACTED] protection ends on May 21, 2026. Thus, the only people in the household that were downgraded were appellant and her husband.

The appellant appeared telephonically and testified that she only works for 6 months. She also testified that her husband will not be in his job for much longer. She was informed that she can report any change in his income within 10 days of the change.

Findings of Fact

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

1. On February 24, 2024 the appellant and her household had a federal poverty level of 140.36%.

2. On [REDACTED] 2024 the appellant called in to report the birth of a newborn to her account and MassHealth erroneously calculated an FPL of 120.24% based on a household size of 8.
3. The household size was corrected to 7 after the pregnancy was removed and a new federal poverty level of 134.47% was calculated.
4. A protection was placed on the head of household, the appellant, until March 31, 2025 through Transitional Medical Assistance (hereinafter "TMA").
5. On February 10, 2025 the appellant called in to renew and update her income, which is seasonal employment, to \$205.00 monthly which resulted in a modified adjusted gross income FPL of 137.07%.
6. On March 5, 2025, due to a federal increase in the FPL, the new FPL was updated to 133.24% for the household.
7. On March 31, 2025 the postpartum protection that was on the account ended and the issue on appeal, dated April 1, 2025, issued downgrading the coverage from MassHealth Standard to Health Safety Net for the appellant as her income was too high.
8. At hearing the appellant updated her income and the worker stated that the new FPL was 140.43% based on a monthly income of \$5,896.03.

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.

A parent or a caretaker relative of a child younger 19 years of age is eligible for MassHealth Standard if the monthly household income is less than or equal to 133% of the FPL (130 CMR 505.002(C)(1)(a)). MassHealth determines monthly income by multiplying weekly income by 4.333 (130 CMR 506.007(A)(2)(c)). Applicants and members are required in certain circumstances to enroll in available health insurance to maintain eligibility for MassHealth Standard or CommonHealth (See 130 CMR 505.002(M) and 505.004(J)). It is undisputed that appellant's household income exceeded 133% of the federal poverty level when she reported the birth of her newborn child in [REDACTED] 2024. Nonetheless, MassHealth kept her on MassHealth regulations pursuant to 130 CMR 505.002(L).

MassHealth allows for the continuation of benefits following an increase in household income under the following circumstances:

- (3) Members of a MassHealth MAGI household who receive MassHealth Standard

(whether or not they receive TAFDC^[1]) and have earnings that raise the MassHealth MAGI household's modified adjusted gross income above 133% of the federal poverty level (FPL) continue to receive MassHealth Standard for a full 12-calendar-month period that begins with the date on which the members MAGI exceeds 133% of the federal poverty level (FPL) if

- (a) the MassHealth household continues to include a child younger than 19 years old living with the parent or caretaker;
- (b) a parent or caretaker relative continues to be employed;
- (c) the parent or caretaker relative complies with 130 CMR 505.002(M); and
- (d) the member is a citizen or a qualified noncitizen.

(4) MassHealth independently reviews the continued eligibility of the TAFDC, EAEDC², and MassHealth MAGI households at the end of the extended period described in 130 CMR 505.002(L)(1) through (3).

(5) If an individual in a MassHealth MAGI household who receives MassHealth under 130 CMR 505.002(L)(1) or (2) had income at or below 133% of the FPL during their extended period, and now has income including earnings that raise the MassHealth MAGI modified adjusted gross income above that limit, the MassHealth MAGI household is eligible for another full 12-calendar-month period that begins with the date on which the member's MAGI exceeds 133% of the federal poverty level (FPL) if

- (a) the MassHealth household continues to include a child younger than 19 years old living with the parent or caretaker;
- (b) a parent or caretaker relative continues to be employed; and
- (c) the parent or caretaker relative complies with 130 CMR 505.002(M).

(6) If a MassHealth MAGI household's modified adjusted gross income decreases to 133% of the FPL or below during its extended eligibility period, and the decrease is timely reported to MassHealth, the MassHealth MAGI household's eligibility for MassHealth Standard may be redetermined. If the MassHealth MAGI household's gross income later increases above 133% of the FPL, the MassHealth MAGI household is eligible for a new extended eligibility period.

130 CMR 505.002(L)(3), (5), (6).

At 140.43% of the FPL, appellant's income is too high to qualify for MassHealth Standard. The income limit for a household size of 7 is \$5,393 per month.³ The appellant is over that income limit as her household income is \$5,896.03. The appellant may apply for a benefit through the Health Connector. Appellant was continuously eligible for a one-year period from March 2024

¹ Transitional Aid to Families with Dependent Children. 130 CMR 505.002(A)(3).

² Emergency Aid to the Elderly, Disabled and Children. 130 CMR 505.002(A)(4).

³ <https://www.mass.gov/doc/2025-masshealth-income-standards-and-federal-poverty-guidelines-0/download> (last visited July 1, 2025).

through March 2025 pursuant to 130 CMR 505.002(L)(3). There was no evidence presented demonstrating that appellant's income had fallen below 133% of the FPL during the TMA period. MassHealth did not err in terminating this coverage based on 130 CMR 505.002(L). Accordingly, 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.

Radha Tilva
Hearing Officer
Board of Hearings

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