

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2506803
Decision Date:	07/18/2025	Hearing Date:	06/02/2025
Hearing Officer:	Thomas J. Goode		

Appearance for Appellant:
Pro se

Appearance for MassHealth:
Mayra Vazquez, Tewksbury 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:	07/18/2025	Hearing Date:	06/02/2025
MassHealth's Rep.:	Mayra Vazquez	Appellant's Rep.:	Pro se
Hearing Location:	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

Through a notice dated April 18, 2025, MassHealth informed Appellant that she is no longer eligible for a Medicare Savings Program because countable income is over the limit, and starting May 1, 2025, MassHealth will no longer pay her Medicare premium (130 CMR 505.004, 505.007 and Exhibit 1). Appellant filed this appeal in a timely manner on April 30, 2025 (130 CMR 610.015(B) and Exhibit 2). Termination of assistance is valid grounds for appeal (130 CMR 610.032).

Action Taken by MassHealth

MassHealth informed Appellant that she is no longer eligible for a Medicare Savings Program because countable income is over the limit, and starting May 1, 2025, MassHealth will no longer pay her Medicare premium.

Issue

The appeal issue is whether MassHealth was correct, pursuant to 130 CMR 505.004, 505.007, in determining that Appellant is no longer eligible for a Medicare Savings Program effective May 1,

2025 because countable income is over the limit.

Summary of Evidence

The MassHealth representative testified that Appellant is under 65 years of age and a household size of one disabled person. Appellant is currently receiving CommonHealth coverage. Appellant was receiving Standard coverage which changed to CommonHealth with a Medicare Savings Program on July 4, 2024. Based on Appellant's income, MassHealth informed Appellant that she is no longer eligible for a Medicare Savings Program because countable income is over the program limit, and starting May 1, 2025, MassHealth will no longer pay her Medicare premium. MassHealth records show that Appellant's gross household income from employment totals \$6,600 from two different employers. The first job shows gross earnings of \$4,800 and the second job shows gross earnings of \$1,800. Appellant's income equates to 400% of the federal poverty level. MassHealth testified that Appellant's income is too high for a Medicare Savings Program which allows income up to 225% of the federal poverty level, \$2,935. The Medicare Savings Program would terminate effective May 1, 2025. Appellant is still eligible for CommonHealth coverage, but MassHealth will no longer pay Appellant's Medicare premium. MassHealth added that Appellant was sent a continuing disability review form which was returned to MassHealth incomplete. MassHealth acknowledged that Appellant reported that she no longer has a second job and updated her gross income to \$4,160, which still exceeds the limit for a Medicare Savings Program.

Appellant testified that she no longer works at one of the jobs listed in MassHealth records, and her current gross income is \$4,160 per month. She added that she completed the disability forms she received and promptly returned all paperwork to MassHealth and reported that she no longer works at the second job. Appellant testified that she received Social Security disability benefits starting in either 2009 or 2011. Social Security benefits stopped in 2022 when she returned to work, and she was told by Social Security that there would be a 5-year grace period with no changes to her health insurance or premiums.

Findings of Fact

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

1. Appellant is under 65 years of age and a household size of one disabled person.
2. Appellant is currently receiving CommonHealth coverage.
3. Appellant was receiving Standard coverage which changed to CommonHealth with a Medicare Savings Program on July 4, 2024.
4. Appellant's monthly gross earned income is \$4,160.

5. 100% of the federal poverty level for a household size of one person is \$1,305.
6. 135% of the federal poverty level for a household size of one person is \$1,761.

Analysis and Conclusions of Law

130 CMR 505.007: Medicare Savings Program (MSP, also called Buy-in)

Medicare Savings Program coverage is available to Medicare beneficiaries in accordance with 130 CMR 519.010: *Medicare Savings Program (MSP) – for Qualified Medicare Beneficiaries (QMB)* and 130 CMR 519.011: *Medicare Savings Program (MSP) – Specified Low Income Medicare Beneficiaries and Qualifying Individuals*. MassHealth Standard members receive this benefit under 130 CMR 505.002(O). **MassHealth CommonHealth members receive this benefit in accordance with 130 CMR 505.004(L).**

130 CMR 505.004 (L) Medicare Premium Payment:

- (1) The MassHealth agency, in accordance with the Medicare Savings Program as described in 130 CMR 519: *Medicare Savings Program (MSP) – Qualified Medicare Beneficiaries (QMB)* and 519.011: *Medicare Saving Program (MSP) – Specified Low Income Medicare Beneficiaries and Qualifying Individuals* also pays the cost of the monthly Medicare Part B premium on behalf of members who meet the requirements of 130 CMR 505.004 and who have modified adjusted gross income of the MassHealth Disabled Adult household that is less than or equal to **135% of the FPL**.¹

Appellant is under 65 years of age and a household size of one disabled person. Appellant is currently receiving CommonHealth coverage. Appellant was receiving Standard coverage which changed to CommonHealth with a Medicare Savings Program on July 4, 2024. Appellant's monthly gross earned income is \$4,160. Pursuant to 130 CMR 506.003, 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.^{2,3} Appellant did not

¹ MassHealth testified that Appellant's eligibility for a Medicare Savings Program is based on income below 225% of the federal poverty level, \$2,935 per month. For CommonHealth members under 65 years of age, MSP eligibility is limited to income below 135% of the federal poverty level, \$1,761. Appellant's income exceeds either mark.

² See 130 CMR 506.003: 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). 130 CMR 506.003(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

testify to or document any of the allowable expenses under 506.003(D); however, Appellant can update changes in income and applicable expenses to MassHealth at any time. Income of all household members forms the basis for establishing an individual's eligibility (130 CMR 506.007). In determining monthly income for MassHealth purposes, 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 the eligibility of the individual under the coverage type with the highest income standard (130 CMR 506.007(A)). Appellant reported \$4,160 monthly earned income, which places household income at 313.77% of the federal poverty level [$\$4,160 - \$65.25^4 = \$4,094.75$] [$\$4,094.75 \div \$1,305 \times 100 = 313.77\%$]. MassHealth correctly determined that Appellant's countable income exceeds 135% of the federal poverty level for a household size of one person, \$1,761.75. Therefore, MassHealth correctly ended the Medicare Savings Program effective May 1, 2025. The appellant's income also exceeds 225% of the federal poverty level, which is the highest income limit for a Medicare Savings Program plan. (130 CMR 519.010, 519.011). The appeal is DENIED.

Order for MassHealth

previous year, and gross gambling income.

See also 130 CMR 506.004: Because of state or federal law the following types of income are noncountable in the determination of eligibility for individuals described at 130 CMR 506.002. Changes to state or federal law may affect whether the following remains noncountable: (A) TAFDC, EAEDC, or SSI income; (B) federal veteran benefits that are not taxable in accordance with IRS rules; (C) income-in-kind; (D) roomer and boarder income derived from persons residing in the applicant's or member's principal place of residence; (E) most workers' compensation income; (F) pretax contributions to salary reduction plans for payment of dependent care, transportation, and certain health expenses within allowable limits; (G) child support received; (H) alimony payments under separation or divorce agreements finalized after December 31, 2018, or pre-existing agreements modified after December 31, 2018. For individuals with alimony agreements finalized on or before December 31, 2018, alimony continues to be included in the income of the recipient for the duration of the agreement unless or until the agreement is modified; (I) taxable amounts received as a lump sum, except those sums that are counted in the month received; in the case of lottery or gambling winnings, those sums that are counted in the month or months required under federal law, including the Tax Cut and Jobs Act of 2017, Public Law 115-97; (J) money received for acting as a Parent Mentor as defined under section 1397 mm(f)(5) of chapter 42 of the United States Code of the Social Security Act; (K) income received by independent foster-care adolescents described at 130 CMR 505.002(H): *Eligibility Requirements for Former Foster-care Individuals*; (L) income from children and tax dependents who are not expected to be required to file a tax return under *Internal Revenue Code*, U.S.C. Title 26, § 6012(a)(1) for the taxable year in which eligibility for MassHealth is being determined, whether or not the children or the tax dependents files a tax return; and (M) any other income that is excluded by federal laws other than the Social Security Act.

³ MassHealth allows the following deductions from countable income when determining MAGI: educator expenses; reservist/performance artist/fee-based government official expenses; health savings account; moving expenses; self-employment tax; self-employment retirement account; penalty on early withdrawal of savings; alimony paid to a former spouse; individual retirement account (IRA); student loan interest; and higher education tuition and fees. 130 CMR 506.003(D).

⁴ 5% of \$1,305.

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.

Thomas J. Goode
Hearing Officer
Board of Hearings

cc: MassHealth Representative: Sylvia Tiar, Tewksbury MassHealth Enrollment Center, 367 East Street, Tewksbury, MA 01876-1957