

# Office of Medicaid BOARD OF HEARINGS

**Appellant Name and Address:**



<b>Appeal Decision:</b>	Denied	<b>Appeal Number:</b>	2507688
<b>Decision Date:</b>	7/9/2025	<b>Hearing Date:</b>	06/12/2025
<b>Hearing Officer:</b>	Amy B. Kullar, Esq.		

**Appearance for Appellant:**  
Pro se

**Appearance for MassHealth:**  
Sherrienne Paiva, Taunton 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

<b>Appeal Decision:</b>	Denied	<b>Issue:</b>	Community eligibility – under 65; Income
<b>Decision Date:</b>	7/9/2025	<b>Hearing Date:</b>	06/12/2025
<b>MassHealth's Rep.:</b>	Sherrienne Paiva	<b>Appellant's Rep.:</b>	Pro se
<b>Hearing Location:</b>	Taunton MassHealth Enrollment Center Room 1 (Virtual)	<b>Aid Pending:</b>	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 May 2, 2025, MassHealth denied the appellant's application for MassHealth benefits because MassHealth determined that her income is too high. *See* 130 CMR 505.008(A)(2)(c) and Exhibit 1. The appellant filed this appeal in a timely manner on May 19, 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 denied the appellant's application for MassHealth benefits on the on the grounds that her income is too high.

### Issue

The appeal issue is whether MassHealth was correct, pursuant to 130 CMR 505.008(A)(2)(c), in determining that the appellant is not eligible for MassHealth based on her income.

## Summary of Evidence

The MassHealth representative appeared at the hearing by video conference. The MassHealth representative testified that the appellant is under the age of 65 and lives in a household of two, which consists of the appellant and her minor child. On April 17, 2025, the appellant completed an application for MassHealth benefits over the phone. The MassHealth representative testified that on May 2, 2025, MassHealth sent a notice to the appellant that she was not eligible for MassHealth benefits. Exhibit 1. The MassHealth representative testified that the appellant had a Federal Poverty Level (FPL) of 148.20%, and a monthly gross income of \$2,700.08. Testimony. The appellant is eligible for a ConnectorCare plan, and her minor child is eligible for MassHealth Standard. The MassHealth representative testified that the appellant was eligible to enroll in ConnectorCare on May 1, 2025. The appellant filed a timely appeal on May 19, 2025. Exhibit 2.

The appellant appeared by video conference and verified her identity. The appellant testified that she does not dispute her income, but she wants coverage for two therapy appointments that occurred prior to her coverage start date, on April 22, 2025, and April 29, 2025, respectively. The appellant testified that she spoke to a MassHealth representative over the phone before the two appointments regarding their coverage and was told that the two appointments would be covered by MassHealth. The appellant testified that she would not have gone to the therapy appointments if she had known they would not have been covered. The appellant testified that she had MassHealth Standard until April 17, 2025.

In response to this testimony, the MassHealth representative explained that the appellant had previously received MassHealth Standard benefits for her household through the Department of Transitional Assistance (DTA) and not through the MassHealth agency. The appellant does not appear in the MassHealth system until her April 17, 2025, telephonic application. Testimony. The MassHealth representative testified that the appellant received DTA benefits until 2023, under which she received also MassHealth Standard benefits until April 18, 2025, to allow her time to transition from DTA assistance, and to reapply for MassHealth benefits. The MassHealth representative testified that the appellant was never eligible for MassHealth Standard through MassHealth because her income was too high. MassHealth's notice denying her benefits was issued after the appellant completed her first MassHealth application on April 17, 2025. The MassHealth representative explained that even though MassHealth has a 10-day retroactive period beginning on the date the coverage starts, the 10-day retroactive period does not apply in the appellant's case because she was not receiving MassHealth Standard benefits from MassHealth; if the appellant was renewing coverage through MassHealth, she would receive retroactive coverage. Testimony.

## 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 and resides in a household of two, which consists of the appellant and her minor child; the household FPL is 148.20%. Testimony and Exhibit 1.
2. The appellant received MassHealth Standard benefits through Department of Transitional Assistance (DTA) until April 18, 2025. Testimony.
3. On April 17, 2025, the appellant completed an application to MassHealth, and as a result, MassHealth determined she was not eligible for MassHealth benefits on May 2, 2025. Testimony and Exhibit 1.
4. The appellant filed a timely appeal of the notice on May 19, 2025. Exhibit 2.
5. The appellant did not have any MassHealth coverage between April 18, 2025, and May 1, 2025, and incurred out-of-pocket medical expenses during this gap.

## Analysis and Conclusions of Law

As described in its regulations, MassHealth provides individuals with access to health care by determining the coverage type that provides the applicant with the most comprehensive benefit for which they are eligible. 130 CMR 501.003(A). The MassHealth coverage types are listed as follows:

- (1) Standard for pregnant women, children, parents and caretaker relatives, young adults,<sup>1</sup> 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 ....
- (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

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<sup>1</sup> “Young adults” are defined at 130 CMR 501.001 as those aged ■ and ■

(7) Senior Buy-in and Buy-in for certain Medicare beneficiaries.

130 CMR 505.001(A).

To establish eligibility for MassHealth, applicants must meet both the categorical and financial requirements. To calculate financial eligibility, MassHealth regulations at 130 CMR 506.007 provide that:

(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.

(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*.

(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) Multiply the annual 100% figure posted in the *Federal Register* by the applicable federal poverty level income standard.
- (2) Round these annual figures up to the nearest hundredth.
- (3) Divide by 12 to arrive at the monthly income standards.

130 CMR 506.007.

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.

130 CMR 506.003.

#### 506.004: Noncountable Household Income

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.

130 CMR 506.004.

The start date of MassHealth benefits is determined by 130 CMR 502.006(A)(2)(b):

(A) Start Date of Coverage for Applicants. For individuals applying for coverage, the date of coverage for MassHealth is determined by the coverage type for which the applicant may be eligible. 130 CMR 505.000: Health Care Reform: MassHealth: Coverage Types describes the rules for establishing this date, except as specified in 130 CMR 502.003(E)(1), (F)(2), and (H)(2).

(1) The start date of coverage for individuals approved for benefits under provisional eligibility is described at 130 CMR 502.003(E)(1).

(2) The start date of coverage for individuals who do not meet the requirements for provisional eligibility, as described at 130 CMR 502.003(E)(2)(a), is described at 130 CMR 502.006(A)(2)(a) through (d), except individuals described at 130 CMR 502.006(C).

(a) The start date for individuals who are pregnant or younger than 19 years of age who submit all required verifications within the 90-day time frame is described in 130 CMR 502.006(A)(2)(a)1. and 2.

1. If covered medical services were received during such period, and the individual would have been eligible at the time services were provided, the start date of coverage is determined upon receipt of the requested verifications and may be retroactive to the first day of the third calendar month before the month of application except as specified in 130 CMR 502.006(C).

2. If covered medical services were not received during such period, or the individual would not have been eligible at the time services were provided, the start date of coverage is determined upon receipt of the requested verifications and coverage begins ten days prior to the date of application, except as specified



in 130 CMR 506.006(C).

(b) For individuals not described in 130 CMR 502.006(A)(2)(a) who submit all required verifications within the 90-day time frame, the start date of coverage is determined upon receipt of the requested verifications and coverage begins ten days prior to the date of application, except as specified in 130 CMR 502.006(C).

Here, to be eligible for MassHealth benefits, an individual's modified adjusted gross income must be less than or equal to 133% of the federal poverty level. 130 CMR 505.008(A)(2)(c). In 2025, 133% of the federal poverty level for a household of two is \$2,345/month. The Appellant's monthly income of \$2,700.08 exceeds this figure and the appellant did not dispute that her household income exceeds the threshold allowed for her to receive MassHealth benefits. 130 CMR 506.007(A)(2)(c). Therefore, MassHealth did not err in sending the appellant the notice on May 2, 2025, denying the appellant MassHealth benefits.

During the period when the appellant had MassHealth Standard benefits through DTA until April 18, 2025, she was not eligible for MassHealth Standard through MassHealth based on her income. The appellant was eligible to enroll in a ConnectorCare plan, effective on May 1, 2025. The appellant would like two appointments dated April 22 and April 29, 2025 covered by MassHealth because she has incurred out-of-pocket medical expenses following the termination of her MassHealth benefits. Unfortunately, because the appellant was not eligible for MassHealth Standard benefits on those dates, MassHealth cannot cover the two appointments.

Therefore, 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.

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Amy B. Kullar, Esq.  
Hearing Officer  
Board of Hearings

cc: MassHealth Representative: Justine Ferreira, Taunton MassHealth Enrollment Center, 21 Spring St., Ste. 4, Taunton, MA 02780