

**Office of Medicaid
BOARD OF HEARINGS**

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2508276
Decision Date:	9/02/2025	Hearing Date:	07/24/2025
Hearing Officer:	Casey Groff		

Appearance for Appellant:
Pro se

Appearance for MassHealth:
Katelyn Costello, Quincy 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:	Comm. Elig. – Under 65; Income; MSP
Decision Date:	9/02/2025	Hearing Date:	07/24/2025
MassHealth’s Rep.:	Katelyn Costello	Appellant’s Rep.:	<i>Pro se</i>
Hearing Location:	Board of Hearings (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 4/18/25, MassHealth informed Appellant that her Medicare Savings Program (MSP) benefit (formerly “Senior Buy-In” or “Buy-In”) was ending on 5/1/25 because her income was over the program limit. *See* Exh. 3. Appellant filed this appeal in a timely manner on 5/30/25.¹ *See* Exh. 4 and 130 CMR 610.015(B). Denial and/or termination of assistance is valid grounds for appeal. *See* 130 CMR 610.032. A hearing was initially scheduled to be heard on 6/24/25; however, at Appellant’s request, the matter was rescheduled for a hearing on 7/24/25. *See* Exhs. 5-7.

Action Taken by MassHealth

¹ This appeal was initially scheduled to address two separate MassHealth actions: (1) a 4/22/25 notice informing Appellant that her CommonHealth benefit was ending on 5/6/25 due to having past due premiums, and (2) a 5/6/25 notice informing her that she was approved for CommonHealth (with no gap in coverage) with a monthly premium of \$357.00. *See* Exhs. 1 and 2. As explained herein, both matters were resolved in Appellant’s favor prior to the hearing and therefore, with Appellant’s consent, are deemed withdrawn and not substantively addressed in this decision. During the hearing, MassHealth produced the 4/18/25 notice, which pertained directly to the issue Appellant sought to dispute, and which was timely captured by Appellant’s 5/30/25 fair hearing request. Accordingly, the 4/18/25 notice is the subject of this appeal.

MassHealth ended Appellant's MSP benefit because it determined that her income exceeded the program limit.

Issue

The appeal issue is whether MassHealth was correct in terminating Appellant's MSP benefit because her income exceeded the program limit.

Summary of Evidence

A MassHealth representative appeared at the hearing and testified as follows: Appellant is a MassHealth member between the ages of 21 and 64 with a verified disability. She lives in a household of two (2) with her spouse. Appellant currently receives a social security benefit of \$1,274 per month. Her spouse receives a monthly gross income of \$5,634.20, for a combined total gross income of \$6,908.20 per month.² Appellant was previously receiving MassHealth Standard with the Medicare Savings Program (MSP) benefit (also referred to as "Senior Buy-In" or "Buy-In"), the latter of which assists qualifying Medicare recipients with paying their Medicare Part B premium. In October of 2024, Appellant's Standard benefit was downgraded to CommonHealth, which carried a monthly premium obligation. According to Appellant, MassHealth continued to pay her Medicare Part B premium. Upon receipt of updated income information, which reflected the aforementioned current household income figures, MassHealth notified Appellant through a letter dated 4/18/25, that she no longer qualified for MSP because her income exceeded the program limit and that starting 5/1/25, MassHealth would no longer pay her Medicare Premium. *See* Exh. 3. The MassHealth representative testified that to qualify for any MSP benefit, the individual must have income that does not exceed 225% of the federal poverty level (FPL). This amounts to a monthly income limit of \$2,935 for a single individual or \$3,966 for a married couple. Because Appellant's income exceeds this amount, MassHealth ended Appellant's MSP benefit.

In addition, the representative testified that on 4/22/25, MassHealth notified Appellant that her CommonHealth benefit was ending on 5/6/25 due to unpaid premiums. *See* Exh. 1. However, MassHealth issued a subsequent notice on 5/6/25 informing Appellant that she was reapproved for CommonHealth with no gap in coverage. *See* Exh. 2. The notice also informed Appellant that she would owe a monthly premium for her CommonHealth coverage in the amount of \$357 starting June 2025. *Id.* According to the notice, the premium calculation was based on Appellant's household income which placed her at 660.07% of the FPL. *Id.* In preparation for the hearing, the MassHealth representative learned that Appellant's premium

² The MassHealth representative testified that Appellant also lives with her adult son, however, for purposes of calculating Appellant's household MAGI, only her and her spouse's income are counted, as he is over the age of 19.

obligation has since been waived for a 1-year period.

Appellant testified that upon receipt of the 4/22/25 and 5/6/25 notices, she applied for a premium hardship waiver. In support of her application, she sent MassHealth verification of financial difficulties related to mortgage payments and bankruptcy concerns. Although MassHealth initially told her that it never received these verifications, it later confirmed that it received the supporting documentation, and as a result approved her hardship waiver, thereby exempting her from paying CommonHealth premiums for a one-year period. Appellant testified that while she was corresponding with MassHealth about the waiver, she noticed that her Medicare Part B premium started to be deducted from her social security income. Appellant did not dispute the current income figures cited by the MassHealth representative for both her and her spouse; however, Appellant believed that her financial difficulties and cost-of-living expenses, which she verified for purposes of establishing eligibility for a hardship waiver, should also offset her countable income as it pertains to eligibility for MSP/Buy-In. Appellant therefore requested that MassHealth restore her MSP benefit and resume paying for her Medicare Part B premiums.

Findings of Fact

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

1. Appellant is between the ages of 21 and 64 with a verified disability and lives in a household size of two with her spouse.
2. Appellant and her spouse have a combined monthly gross income of \$6,908.20.
3. MassHealth notified Appellant through a letter dated 4/18/25, that she no longer qualified for MSP because her income exceeded the program limit and that starting 5/1/25, MassHealth would no longer pay her Medicare Premium.
4. On 4/22/25, MassHealth notified Appellant that her CommonHealth benefit was ending on 5/6/25 due to unpaid premiums.
5. Following the 4/22/25 notice, MassHealth reinstated Appellant's CommonHealth benefit, leaving no gap in coverage, and waived her CommonHealth premium obligation for a one-year period based on demonstrated financial hardship.

Analysis and Conclusions of Law

The MassHealth agency is responsible for the administration and delivery of MassHealth

services to eligible low- and moderate-income individuals, couples, and families. See 130 CMR 501.002. Generally, MassHealth will determine eligibility for the most comprehensive coverage type for which the applicant is eligible. See 130 CMR 501.003(A). The coverage types available to individuals under the age of 65 include Standard, CommonHealth, CarePlus, Family Assistance, and Limited. See 130 CMR 501.003(B). In addition, MassHealth offers financial assistance to certain Medicare beneficiaries through its Medicare Saving Programs (MSP) benefit (also referred to as “Senior Buy-In” or “Buy-In”) in accordance with regulations at 130 CMR 519.010 and 130 CMR 519.011. See 130 CMR 505.007.³

MassHealth offers three MSP coverage types which are described in 130 CMR 519.010-011, and provide, in relevant part, the following:

519.010: Medicare Savings Program (MSP) – Qualified Medicare Beneficiaries (QMB)

(A) Eligibility Requirements. MSP (Buy-in) QMB coverage is available to Medicare beneficiaries who

- (1) are entitled to hospital benefits under Medicare Part A;
- (2) have a countable income amount (including the income of the spouse with whom he or she lives) that is less than or equal to 190% of the federal poverty level;

....

(B) Benefits. The MassHealth agency pays for Medicare Part A and Part B premiums and for deductibles and coinsurance under Medicare Parts A and B for members who establish eligibility for MSP coverage in accordance with 130 CMR 519.010(A).

....

519.011: Medicare Savings Program (MSP) – Specified Low Income Medicare Beneficiaries and Qualifying Individuals:

(A) MSP (Buy-in) for Specified Low Income Medicare Beneficiaries (SLMB).

(1) Eligibility Requirements. MSP is available for Specified Low Income Beneficiaries who

- (a) are entitled to hospital benefits under Medicare Part A;
- (b) have a countable income amount (including the income of the spouse with whom they live) greater than 190% and less than or equal to 210% of the federal poverty level. MassHealth will disregard all assets or resources when determining eligibility for MSP only benefits;

...

(2) Benefits. The MassHealth agency pays the cost of the monthly Medicare Part B premium for members who establish eligibility for MSP for SLMB coverage in accordance with 130 CMR 519.011(A).

...

³ Unlike the other coverage types offered through MassHealth, MSP is not health insurance, but rather a financial benefit to offset the costs associated with the individual’s Medicare coverage.

(B) MSP for Qualifying Individuals (QI).

(1) Eligibility Requirements. MSP for Qualifying Individuals (QI) coverage is available to Medicare beneficiaries who

(a) are entitled to hospital benefits under Medicare Part A;

(b) have a countable income amount (including the income of the spouse with whom he or she lives) that is greater than 210% of the federal poverty level and less than or equal to 225% of the federal poverty level;

...

(2) Benefits. The MassHealth agency pays the entire Medicare Part B premium, in accordance with section 1933 of the Social Security Act (42 U.S.C. § 1396u-3), for members who establish eligibility for MSP for QI coverage in accordance with 130 CMR 519.011(B).

As a Medicare beneficiary living in Massachusetts, Appellant is categorically eligible for any of the aforementioned MSP benefit levels. However, to remain *financially* eligible for any MSP benefit, Appellant would need to have income that does not exceed 225% of the FPL. See 130 CMR 519.011 (B)(1). For an individual in a household size of two (2), that limit amounts to a modified adjusted gross income (MAGI) \$3,966 per month. See *2025 MassHealth Income Standards and Federal Poverty Guidelines* (effective 3/1/25).

To determine financial eligibility, MassHealth counts the total MAGI-based income of every individual included in the individual's household (with exceptions of children and tax dependents not expected to file tax returns). See 130 CMR 506.007. Countable household income includes both earned and unearned income, less deductions described in 130 CMR 506.003(D).⁴ See 130 CMR §§ 506.003 and 520.009(A). Countable 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 refunds, and gross gambling income. See 130 CMR §§ 506.003 and 520.009(D).

⁴ In addition, MassHealth excludes from financial eligibility determinations, any "noncountable income" as recognized under federal and state law, which include the following: (A) TAFDC, EAEDC, or supplemental security income; (B) non-taxable federal veteran benefits per 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) certain alimony payments under separation or divorce agreements; (I) taxable amounts received as a lump sum, except sums that are counted in the month received; (J) money received for acting as a Parent Mentor as defined under the Social Security Act; (K) income received by independent foster-care adolescents described at 130 CMR 505.002(H); (L) income from children and tax dependents who are not expected to be required to file a tax return under IRC, 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. See 130 CMR 506.004 and 130 CMR 520.015.

MassHealth permits the same income deductions that are recognized under federal law, and which include the following:

- 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...;
- 9) individual retirement account (IRA);
- 10) student loan interest;
- 11) scholarships, awards, or fellowships used solely for educational purposes;
- 12) and 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.

Here, Appellant does not dispute that she receives a social security benefit of \$1,274 per month or that her spouse receives a gross income of \$5,634.20 per month, for a combined total gross income of \$6,908.20 per month. In contesting the 4/18/25 eligibility determination, Appellant argues that MassHealth failed to account for her financial hardship and substantial cost of living expenses when calculating her countable income, and which she previously verified when applying for the premium waiver. However, the rules that govern whether an individual is experiencing an “undue financial hardship” to qualify for a waiver of a MassHealth imposed premium (see 130 CMR 506.011(G)), are separate and distinct from the rules that govern MassHealth financial eligibility determinations (see 130 CMR 506.003-007). While Appellant provided credible testimony regarding her financial difficulties, there is no evidence that any of the income which MassHealth counted in its eligibility determination was exempt from consideration or fell within an allowable deduction under 130 CMR 506.003(D). Ultimately, there is no legal authority that would allow MassHealth to arrive at a lower countable income amount than \$6,908.20 per month. As this exceeds 225% of the FPL, i.e., \$3,966 per month for a couple, Appellant is ineligible for MSP benefits at this time.⁵ MassHealth did not err in its 4/18/25 eligibility determination. The appeal is DENIED.

⁵ While not pertinent to this appeal, it is noted that the 5/6/25 notice, through which MassHealth re-approved Appellant for CommonHealth, referenced that her income, for a household size of two, placed her at 660.07% of the FPL. See Exh. 2. Currently, 100% of the FPL for a household size of two is \$1,763 per month. See *2025 MassHealth Income Standards and Federal Poverty Guidelines*. Based on the income figures cited herein, a total countable household income of \$6,908 for a household size of two, would place Appellant at approximately 391% of the FPL ($6,908 / 1,763 = 3.91$). It is unclear what, if any, additional income was used in the 5/6/25 determination. Notwithstanding this discrepancy, Appellant is still over the 225% FPL limit to qualify for MSP based on the undisputed income figures discussed at hearing.

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.

Casey Groff
Hearing Officer
Board of Hearings

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