

# Office of Medicaid BOARD OF HEARINGS

**Appellant Name and Address:**



<b>Appeal Decision:</b>	Approved	<b>Appeal Number:</b>	2508458
<b>Decision Date:</b>	07/18/2025	<b>Hearing Date:</b>	06/30/2025
<b>Hearing Officer:</b>	Emily Sabo		

**Appearance for Appellant:**



**Appearance for MassHealth:**

Chantal Centeio, 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

<b>Appeal Decision:</b>	Approved	<b>Issue:</b>	Community Eligibility—under 65; Income
<b>Decision Date:</b>	07/18/2025	<b>Hearing Date:</b>	06/30/2025
<b>MassHealth's Rep.:</b>	Chantal Centeio	<b>Appellant's Rep.:</b>	██████
<b>Hearing Location:</b>	Quincy Harbor South (Telephone)	<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 April 17, 2025, MassHealth downgraded the Appellant's benefit from MassHealth Standard to MassHealth CommonHealth with a \$26 monthly premium for the household, beginning in May 2025, on the basis that the Appellant did not meet the income requirement for MassHealth Standard.<sup>1</sup> 130 CMR 505.002(C)(1)(a), 130 CMR 505.002(E)(1)(b), and Exhibit 1. The Appellant filed this appeal in a timely manner on June 2, 2025. 130 CMR 610.015(B) and Exhibit 2. Reduction of assistance is valid grounds for appeal. 130 CMR 610.032.

### Action Taken by MassHealth

MassHealth downgraded the Appellant's benefit from MassHealth Standard to MassHealth CommonHealth with a \$26/month premium.

### Issue

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<sup>1</sup> The April 17, 2025 notice states that the Appellant has a household size of three and the monthly household income is 206.35% of the federal poverty level. Exhibit 1 at 3.

The appeal issue is whether MassHealth was correct, pursuant to 130 CMR 505.002(C)(1)(a) and 130 CMR 505.002(E)(1)(b), in determining that the Appellant's income is too high to qualify for MassHealth Standard.

## Summary of Evidence

The hearing was held by telephone. MassHealth was represented by an eligibility specialist who testified that the Appellant is an adult between the ages of 21-64 and that she has a household size of three. The MassHealth representative testified that the Appellant has a verified disability and that the household was made up of the Appellant, the Appellant's spouse, and a minor child. The MassHealth representative testified that the household's income was \$935/month for the Appellant and \$1,241/month for the Appellant's spouse. The hearing officer asked the MassHealth representative why the Appellant's benefit was downgraded from MassHealth Standard if the household income was less than 133% of the federal poverty level for a household of three.<sup>2</sup> The MassHealth representative stated that she was not sure and that it may have been a system glitch.

The Appellant verified her identity. The Appellant testified that she has a household size of four, which also includes her [REDACTED] child, who is disabled, and that she and her spouse claim the [REDACTED] as a dependent. The Appellant testified that she recently received a letter from MassHealth stating that the Appellant's minor child qualified for MassHealth Standard and had a household size of four. The Appellant testified that she had uploaded income information earlier in June 2025. She testified that the source of the income was the couple's disability benefits and that household's combined monthly gross income is \$2,365. The Appellant also asked about what would happen to the bills she received for the May 2025 and June 2025 premiums.

The MassHealth representative testified that the Appellant had submitted updated income information to MassHealth on June 2, 2025 and that MassHealth had verified the Appellant's income. During the hearing, the MassHealth representative stated that she processed the information and that the Appellant was now eligible for MassHealth Standard. The MassHealth representative stated that the Appellant may need to contact MassHealth Premium Billing about the CommonHealth premiums.

## Findings of Fact

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

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<sup>2</sup> For 2025, 133% of the federal poverty level for a household size of three is a monthly income of \$2,954; for a household size of four it is \$3,564.

1. The Appellant is and adult between the ages of 21-64 and has a verified disability. Testimony and Exhibit 4.
2. The Appellant lives with her spouse, a minor child, and a [REDACTED], who the couple claim as a dependent on their taxes. Testimony.
3. On April 17, 2025, MassHealth sent the Appellant a notice stated that her MassHealth benefit was being downgraded from MassHealth Standard to MassHealth CommonHealth due to her household income. It stated that she would be charged a \$26/month premium for the household starting in May 2025. It stated that the Appellant had a household size of three and the monthly household income is 206.35% of the federal poverty level. Exhibit 1.
4. On June 2, 2025, the Appellant filed a timely appeal with the Board of Hearings. Exhibit 2.
5. The Appellant's gross monthly household income is \$2,365. Testimony.

## Analysis and Conclusions of Law

MassHealth regulations provide the following:

### 505.002: MassHealth Standard

#### (A) Overview.

- (1) 130 CMR 505.002 contains the categorical requirements and financial standards for MassHealth Standard serving children, young adults, parents, caretaker relatives, people who are pregnant, disabled individuals, certain individuals with breast or cervical cancer, certain individuals who are HIV positive, independent foster-care adolescents, Department of Mental Health members, and medically frail as such term is defined in 130 CMR 505.008(F).
- (2) Persons who receive Supplemental Security Income (SSI) benefits from the Social Security Administration (SSA) are eligible for MassHealth Standard.
- (3) Persons who receive Transitional Aid to Families with Dependent Children (TAFDC) cash assistance from the Department of Transitional Assistance (DTA) are eligible for MassHealth Standard.
- (4) Children, young adults, and parents and caretaker relatives who receive Emergency Aid to the Elderly, Disabled and Children (EAEDC) cash assistance are eligible for MassHealth Standard if they meet the citizenship and immigration requirements described at 130 CMR 504.002: *U.S. Citizens* and 130 CMR 504.003(A)(1): *Qualified Noncitizens*, (2): *Qualified Noncitizens Barred*, and (3): *Nonqualified Individuals Lawfully Present*.
- (5) Persons who do not otherwise meet the requirements of 130 CMR 505.002, but who meet the AFDC rules that were in effect on July 16, 1996, are eligible for MassHealth

Standard.

(6) Persons eligible for MassHealth Standard coverage are eligible for medical benefits as described at 130 CMR 450.105(A): *MassHealth Standard* and 130 CMR 508.000: *MassHealth: Managed Care Requirements*.

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(C) Eligibility Requirements for Parents and Caretaker Relatives.

(1) A parent or caretaker relative of a child younger than 19 years old is eligible for MassHealth Standard coverage if

(a) the modified adjusted gross income of the MassHealth MAGI household is less than or equal to 133% of the federal poverty level (FPL);

(b) the individual is a citizen as described at 130 CMR 504.002: *U.S. Citizens* or a qualified noncitizen as described in 130 CMR 504.003(A)(1): *Qualified Noncitizens*; and

(c) 1. the parent lives with their children, and assumes primary responsibility for the child's care, in the case of a parent who is separated or divorced, has custody of their children, or has children who are absent from home to attend school; or

2. the caretaker relative lives with children to whom they are related by blood, adoption, or marriage (including stepsiblings), or is a spouse or former spouse of one of those relatives, and assumes primary responsibility for the child's care if neither parent lives in the home.

(2) The parent or caretaker relative complies with 130 CMR 505.002(M).

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(E) Disabled Individuals.

(1) Disabled Adults. A disabled adult 21 through 64 years old or a disabled young adult 19 through 20 years old who does not meet the requirements described at 130 CMR 505.002(B)(3)(a)1. is eligible for MassHealth Standard coverage if they meet the following requirements:

(a) the individual is permanently and totally disabled as defined in 130 CMR 501.001: *Definition of Terms*;

(b) the modified adjusted gross income of the MassHealth Disabled Adult household as described in 130 CMR 506.002(C): *MassHealth Disabled Adult Household* is less than or equal to 133% of the federal poverty level (FPL), or the individual is eligible under section 1634 of the Social Security Act (42 U.S.C. § 1383c) as a disabled adult child or as a disabled widow or widower, or is eligible under the provisions of the Pickle Amendment as described at 130 CMR 519.003: *Pickle Amendment Cases*;

(c) the individual is a citizen as described in 130 CMR 504.002: *U.S. Citizens* or a qualified noncitizen as described in 130 CMR 504.003(A)(1): *Qualified Noncitizens*; and

(d) the individual complies with 130 CMR 505.002(M).

(2) Determination of Disability. Disability is established by

(a) certification of legal blindness by the Massachusetts Commission for the Blind (MCB);

- (b) a determination of disability by the SSA; or
  - (c) a determination of disability by the Disability Evaluation Services (DES).
- (3) Extended MassHealth Eligibility. Disabled persons whose SSI disability assistance has been terminated and who are determined to be potentially eligible for MassHealth continue to receive MassHealth Standard until the MassHealth agency makes a determination of ineligibility.

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(M) Use of Potential Health Insurance Benefits. Applicants and members must use potential health insurance benefits in accordance with 130 CMR 503.007: *Potential Sources of Health Care*, and must enroll in health insurance, including Medicare, if available at no greater cost to the applicant or member than they would pay without access to health insurance, or if purchased by MassHealth in accordance with 130 CMR 505.002(O) or 130 CMR 506.012: *Premium Assistance Payments*. Members must access other health insurance benefits and must show their private health insurance card and their MassHealth card to providers at the time services are provided.

130 CMR 505.002(A), (C), (E), (M).

#### 506.002: Household Composition

(A) Determination of Household Composition. MassHealth determines household size at the individual member level. MassHealth determines household composition in two ways.

(1) MassHealth Modified Adjusted Gross Income (MAGI) Household Composition. MassHealth uses the MassHealth MAGI household composition rules to determine member eligibility for the following benefits:

- (a) MassHealth Standard, as described in 130 CMR 505.002(B), (C), (D), (F), and (G);
- (b) MassHealth CommonHealth, as described in 130 CMR 505.004(F) and (G);
- (c) MassHealth CarePlus, as described in 130 CMR 505.008: *MassHealth CarePlus*;
- (d) MassHealth Family Assistance, as described in 130 CMR 505.005(B) through (E);
- (e) MassHealth Limited, as described at 130 CMR 505.006: *MassHealth Limited*; and
- (f) Children's Medical Security Plan (CMSP), as described in 130 CMR 522.004: *Children's Medical Security Plan (CMSP)*.

(2) MassHealth Disabled Adult Household. MassHealth uses the MassHealth Disabled Adult household composition rules to determine member eligibility for the following benefits:

- (a) MassHealth Standard, as described in 130 CMR 505.002(E): *Disabled Adults*;
- (b) MassHealth CommonHealth, as described in 130 CMR 505.004(B) through (E); and
- (c) MassHealth Family Assistance, as described in 130 CMR 505.005(F): *Eligibility Requirement for Disabled Adults Who Are Qualified Noncitizens Barred, Nonqualified Individuals Lawfully Present, and Nonqualified PRUCOLs with Modified Adjusted Gross Income of the MassHealth Disabled Adult Household at or below 100% of the Federal Poverty Level*.

(B) MassHealth MAGI Household Composition.

(1) Taxpayers Not Claimed as a Tax Dependent on Their Federal Income Taxes. For an individual who expects to file a tax return for the taxable year in which the initial determination or renewal of eligibility is being made and who is not claimed as a tax dependent by another taxpayer, the household consists of

- (a) the taxpayer, including their spouse, if the taxpayers are married and filing jointly regardless of whether they are living together;
- (b) the taxpayer's spouse, if living with them regardless of filing status;
- (c) all persons the taxpayer expects to claim as tax dependents; and
- (d) if any individual described in 130 CMR 506.002(B)(1)(a) through (c) is pregnant, the number of expected children.

(2) Individuals Claimed as a Tax Dependent on Federal Income Taxes.

(a) For an individual who expects to be claimed as a tax dependent by another taxpayer for the taxable year in which the initial determination or renewal of eligibility is being made and who does not otherwise meet the Medicaid exception rules as described in 130 CMR 506.002(B)(2)(b)1., 2., or 3., the household consists of

- 1. the individual;
- 2. the individual's spouse, if living with them;
- 3. the taxpayer claiming the individual as a tax dependent;
- 4. any of the taxpayer's tax dependents; and
- 5. if any individual described in 130 CMR 506.002(B)(2)(a)1. through 4. is pregnant, the number of expected children.

(b) Medicaid Exceptions. Household size must be determined in accordance with non-tax filer rules for any of the following individuals:

- 1. individuals other than the spouse or natural, adopted, or stepchild who expect to be claimed as a tax dependent by the taxpayer;
- 2. individuals younger than 19 years old who expect to be claimed by one parent as a tax dependent and are living with both natural, adopted or stepparents, but whose natural, adopted, or stepparents do not expect to file a joint tax return;
- 3. individuals younger than 19 years old who expect to be claimed as a tax dependent by a noncustodial parent. For the purpose of determining custody, MassHealth uses a court order or binding separation, divorce, or custody agreement establishing physical custody controls or, if there is no such order or agreement or in the event of a shared custody agreement, the custodial parent is the parent with whom the child spends most nights.

(3) Individuals Who Do Not File a Federal Tax Return and Are Not Claimed as a Tax Dependent on a Federal Tax Return. For an individual who does not expect to file a federal tax return and who does not expect to be claimed as a tax dependent on a federal tax return or when any of the exceptions described at 130 CMR 506.002(B)(2)(b)1., 2., or 3. apply, the household consists of

- (a) the individual;
- (b) the individual's spouse if living with them;

- (c) the individual's natural, adopted, and stepchildren younger than 19 years old if living with them;
- (d) for individuals younger than 19 years old, the individual's natural, adoptive, or stepparents and natural, adoptive, or stepsiblings younger than 19 years old if living with them; and
- (e) if any individual described in 130 CMR 506.002(B)(3)(a) through (d) is pregnant, the number of expected children.

(C) MassHealth Disabled Adult Household. The household consists of

- (1) the individual;
- (2) the individual's spouse if living with them;
- (3) the individual's natural, adopted, and stepchildren younger than 19 years old if living with them; and
- (4) if any individual described in 130 CMR 506.002(C)(1), (2), or (3) is pregnant, the number of expected children.

130 CMR 506.002.

#### 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).

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(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.

130 CMR 506.003(B).

Because the Appellant is both the parent of a minor child and has a verified disability, she is categorically eligible for MassHealth Standard as both a parent under 130 CMR 505.002(C) and as a disabled adult under 130 CMR 505.002(E). The different categories have different rules for determining household composition. 130 CMR 506.002. As a parent, under 130 CMR 505.002(C), the Appellant's household composition is determined under the Modified Adjusted Gross Income (MAGI) rules and as a disabled adult, under 130 505.002(E), her household composition is determined under the Disabled Adult Household rules. 130 CMR 502.002(A)(1)(a), (A)(2)(a). Under the MAGI rules, the household is composed of the Appellant, her spouse, and her two children, who she claims as tax dependents, for a total household size of four. 130 CMR 506.002(B)(1).



Under the Disabled Adult Household rules, the household is composed of the Appellant, her spouse, and her minor child, for a total household size of three. 130 CMR 506.002(C). Because the Appellant's other child is [REDACTED] he is not considered part of her household under the Disabled Adult Household rules. 130 CMR 506.002(C)(3).

At the hearing, the Appellant testified that her household has a gross monthly income of \$2,365, which the MassHealth representative confirmed. For 2025, 133% of the federal poverty level for a household size of three is a monthly income of \$2,954; for a household size of four it is \$3,564. Therefore, under either the MAGI or Disabled Adult Household composition, the Appellant is financially eligible for MassHealth Standard, as her household monthly income of \$2,365 is below 133% of the federal poverty level. 130 CMR 505.002(C)(1)(a), (E)(1)(b).

Accordingly, the appeal is approved.

## **Order for MassHealth**

Rescind the April 17, 2025 notice and any associated CommonHealth premium bills. Reinstate the Appellant's MassHealth Standard benefit, as of May 1, 2025.

## **Implementation of this Decision**

If this decision is not implemented within 30 days after the date of this decision, you should contact your MassHealth Enrollment Center. If you experience problems with the implementation of this decision, you should report this in writing to the Director of the Board of Hearings, at the address on the first page of this decision.

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Emily Sabo  
Hearing Officer  
Board of Hearings

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

MassHealth Representative: Maximus Premium Billing, Attn: Karishma Raja, 1 Enterprise Drive, Suite 310, Quincy, MA 02169