

**Office of Medicaid
BOARD OF HEARINGS**

Appellant Name and Address:



Appeal Decision:	Approved	Appeal Number:	2509249
Decision Date:	09/23/2025	Hearing Date:	07/24/2025
Hearing Officer:	Casey Groff	Record Closed:	09/12/2025

Appearance for Appellant:



Appearance for MassHealth:

Katelyn Costello, Benefits & Eligibility
Representative, 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:	Approved	Issue:	Eligibility; Under 65; Coverage Start Date
Decision Date:	09/23/2025	Hearing Date:	07/24/2025
MassHealth's Rep.:	Katelyn Costello	Appellant's Rep.:	██████
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 6/17/25, MassHealth denied Appellant's application for MassHealth benefits because his income exceeded the program limit. *See* Exh. 1 and 130 CMR 506.007. On 6/17/25, the Board of Hearings (BOH) received a timely appeal of the notice; however, BOH dismissed the matter at intake for lack of authority to process the appeal. *See* Exh. 2 and 130 CMR §§ 610.034, 610.035. After receiving a signed fair hearing request, BOH vacated the dismissal and scheduled a hearing for 7/24/25. *See* Exhs. 4 and 5. Following the hearing, the record was left open for the parties to submit additional evidence. *See* Exh. 6.

During the record open period, MassHealth issued a notice dated 8/21/25, informing Appellant that he had been approved for MassHealth CommonHealth with an effective start date of 8/1/25. *See* Exh. 7. On 9/11/25, Appellant filed a timely appeal with BOH to dispute start date. *See* Exh. 8. As Appellant's basis for contesting the 6/17/25 notice and the 8/21/25 notice was the same, both matters were consolidated into a single appeal for purposes of this decision.¹ An agency action to deny, terminate, reduce, or limit the scope of assistance is valid grounds for appeal. *See* 130 CMR

¹ As discussed herein, Appellant's primary contention was that he was eligible for benefits on the basis of disability, and as such, should have coverage reinstated and made retroactive to the date his prior benefit ended. After filing the new appeal, Appellant waived his right to have a hearing scheduled on the 8/21/25 notice so that it could be consolidated with the instant appeal.

610.032.

Action(s) Taken by MassHealth

MassHealth (1) denied Appellant's application for benefits based on its determination that his income exceeded the program limit, and (2) approved Appellant for Commonwealth with a coverage start date of 8/1/25.

Issue(s)

The appeal issues are (1) whether MassHealth was correct in determining that Appellant was ineligible for benefits on the basis of income, and (2) whether Appellant is entitled to a Commonwealth benefit start date earlier than 8/1/25.

Summary of Evidence

A MassHealth benefits and eligibility representative appeared at the hearing and testified as follows: Appellant is an adult male between the ages of 21 and 64 and resides with his parents in a household size of three (3). In 2022, Appellant was approved for MassHealth Standard based on having a verified disability and zero income. In April of 2025, while still enrolled in Standard, Appellant's disability status was removed from the system after UMASS Disability Evaluation Services (DES) determined that Appellant's adult disability supplement was incomplete and that it could not perform a required disability review. Without a verified disability, MassHealth determined whether Appellant remained eligible for MassHealth benefits based on income alone. Appellant's household income was calculated using MassHealth's modified adjusted gross income (MAGI) rules which counted the gross income of all 3 household members and placed Appellant at 482.52% of the federal poverty level (FPL). To qualify for MassHealth benefits, Appellant's income would need to be at or below 133% of the FPL. Because Appellant's household income exceeded the limit, he was not eligible for MassHealth benefits and his Standard benefit ended on 5/31/25.

The MassHealth representative testified that after his benefit ended, Appellant, through the assistance of another MassHealth worker, removed himself from his parents' case and opened his own account as a household of one. On 6/17/25, MassHealth redetermined Appellant's eligibility, counting only his income, which consisted of \$400 per week from earned income and an additional \$200 per month from self-employment income. Combined, Appellant receives an average monthly gross income of \$1,933.20. For a household size of one to be at or below 133% of the FPL, the individual's total gross income cannot exceed \$1,735 per month. On 6/17/25, MassHealth notified Appellant that he did not qualify for MassHealth benefits because his income exceeded the program limit. See Exh. 1. Appellant filed a timely appeal of the

6/17/25 notice. See Exh. 2. The MassHealth representative testified that, according to DES, it has since received Appellant's completed adult disability supplement; however, the review is currently pending and, as of the hearing date, a disability determination has not been rendered.

Appellant and his father (hereinafter "representative") appeared at the hearing to contest the 6/17/25 notice. For background, Appellant's representative testified that he and Appellant completed and returned the adult disability supplement by its original due date of 3/11/25. They never received notice from DES or MassHealth to indicate the supplement was incomplete and were therefore surprised when Appellant's benefit ended.

Appellant and his representative did not dispute the income on file, noting that Appellant was ineligible for MassHealth on the basis of income alone, (either based on his income as a household of one or based on the combined income of a household size of three). However, they asserted that Appellant's disability status was erroneously removed from the system because they never received notice that the adult disability supplement was incomplete. Had they been notified, they would have provided the missing information to allow DES to perform the disability review. Because his disability status was improperly removed, he was incorrectly denied coverage on 6/17/25 when, in fact, he was eligible for CommonHealth. Appellant's representative testified that Appellant has numerous medical conditions and is prescribed medication that he has had to miss or pay out of pocket due to the abrupt termination of benefits on 5/31/25. Appellant testified that he had since submitted the adult disability supplement and provided DES with all necessary medical releases.

The record remained open for Appellant to await the status of DES' review and to provide evidence of disability. See Exh. 6. According to the evidence submitted during the record open period, DES completed its review and on 8/18/25 determined that Appellant was disabled and that he had a disability onset date of 2/27/24. See Exhs. 6 and 10. This information was transmitted to MassHealth via a Disability Determination Tracking Form. See Exh. 10. According to the form, the receipt date of Appellant's completed adult disability supplement was 7/8/25. *Id.* Through a notice dated 8/21/25, MassHealth approved Appellant for CommonHealth with an effective start date of 8/1/25. See Exh. 7. This left Appellant with a gap in coverage between 6/1/25 and 7/31/25 during which he alleged to have incurred out of pocket medical expenses. The MassHealth representative explained that the earliest date that MassHealth can authorize is the first date of the month that the disability determination was made, i.e., 8/1/25. The MassHealth representative explained that MassHealth's updated policy regarding three-month retroactive eligibility, as detailed in MassHealth *Eligibility Operations Memo 25-14*, did not apply towards eligibility determinations based on DES disability decisions, and applied only to initial applications for individuals eligible for a MassHealth benefit. See Exh. 6. Appellant was advised that if he disputed the start date, he would need to file an appeal on the 8/21/25 notice.

On 9/10/25, Appellant filed a timely request to appeal the 8/21/25 notice. See Exh. 8. On 9/12/25, Appellant consented to have his appeal of the 8/21/25 notice consolidated with the

pending appeal on the 6/17/25 notice, thereby waiving his right to a hearing on the new notice. See Exh. 9.

Findings of Fact

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

1. Appellant is an adult male between the ages of 21 and 64 and was previously enrolled in MassHealth Standard.
2. Appellant's Standard benefit ended on 5/31/25.
3. Appellant receives an average combined monthly gross income of \$1,933.20.
4. On 6/17/25, MassHealth notified Appellant that he did not qualify for MassHealth benefits because his income exceeded the program limit.
5. At the time of the 6/17/25 determination, Appellant did not have a verified disability on file with MassHealth.
6. On 7/8/25, DES received Appellant's completed adult disability supplement.
7. On 8/18/25, DES determined that Appellant was disabled and that he had a disability onset date of 2/27/24.
8. Through a notice dated 8/21/25, MassHealth approved Appellant for CommonHealth with an effective benefit start date of 8/1/25.
9. Appellant has a gap in MassHealth coverage between 6/1/25 and 7/31/25 during which he incurred out of pocket medical expenses.
10. Appellant filed timely appeals of the 6/17/25 and 8/21/25 notices.

Analysis and Conclusions of Law

This matter consolidates two MassHealth notices under appeal: (1) a 6/17/25 agency determination that Appellant did not qualify for MassHealth benefits on the basis of income, and (2) an 8/21/25 determination that Appellant was eligible for CommonHealth effective 8/1/25. Appellant's basis for contesting each notice is the same, i.e., that he should have been deemed eligible for CommonHealth with a retroactive start date of 6/1/25 to close the lapse in coverage following the date his Standard benefit ended on 5/31/25.

In processing an application for benefits, MassHealth has, traditionally, determined the start date of coverage based on the coverage type for which the applicant may be eligible. See 130 CMR 502.006(A). For members eligible for CommonHealth, MassHealth regulations provide, in pertinent part, the following:

(M) Medical Coverage Date.

(1) The medical coverage date for CommonHealth begins on the tenth calendar day before the date of application, if MassHealth receives all required verifications, including a completed disability supplement, within 90 days of the date the applicant's receipt of MassHealth's Request for Information Notice.

(2) If required verifications listed on the Request for Information are received after the 90-day period referenced in 130 CMR 505.004(M)(1), the begin date of medical coverage is ten calendar days before the date on which the verifications were received, provided such verifications are received within one year of receipt of the application.

...

130 CMR 505.004(M)

Effective 8/18/25, MassHealth updated its start date rules to comport with federal regulations at 42 CFR § 435.915. According to MassHealth *Eligibility Operations Memo (EOM) 25-14* (August 2025), the “MassHealth eligibility start date... [is made] retroactive to the first day of the month of the date of application or date of eligibility determination (as applicable) for all approvals and upgrades.” See *EOM 25-15*.

In the present case, MassHealth determined that Appellant’s CommonHealth eligibility start date was 8/1/25. This appears to have been based on the DES disability determination date of 8/18/25. In accordance with 130 CMR 505.004(M), above, MassHealth traditionally uses the completed application date for purposes of determining when an individual’s CommonHealth eligibility begins. It is unclear why MassHealth used the “eligibility determination” date, as opposed the “application” date of 7/8/25 to determine Appellant’s benefit start date. While a start date of 7/1/25 is more favorable than a start date of 8/1/25, Appellant is still left with a gap in coverage. As discussed below, it is ultimately unnecessary, for purposes of this decision, to address the issue of which of the two dates MassHealth should have used.

Rather, MassHealth’s updated start date rules, reflected in *EOM 25-14* and which derive from 42 CFR § 435.915, also expand the exception for allowing extended retroactivity under certain circumstances.² The updated policy states, in relevant part, the following:

² Subsection (a) of 42 CFR § 435.915 *Effective date*, states the following:

(a) The agency must make eligibility for Medicaid effective no later than the third month before the month of application if the individual—

Now, all MassHealth applicants may qualify for up to three months of retroactive coverage, if they meet certain conditions. Specifically, an applicant may qualify for retroactive coverage up to the first day of the third month before the month of application if they a) had covered services, and b) would have been eligible for MassHealth when those services were received.

...

This change applies only to individuals eligible for a MassHealth benefit. It does not apply to the Health Safety Net, Children's Medical Security Plan, Qualified Medicare Beneficiaries, or Health Connector programs.

Id.

Through the fair hearing process, Appellant demonstrated that during the two-month gap in coverage between 6/1/25 and 7/31/25, he incurred out of pocket medical expenses for services he received, and which are covered under the MassHealth program. Given that Appellant has a verified disability onset date of 2/27/24, the evidence indicates that Appellant was disabled and thus otherwise eligible for CommonHealth at the time he received these services. Appellant therefore meets the conditions to qualify for the extended period of retroactive coverage under the updated policy rules. *See* EOM 25-14; *see also* 130 CMR 610.071(A)(2).³ There is no language in the applicable state or federal regulations to suggest that the three-month retroactivity rule applies only to initial MassHealth applications, or that it excludes individuals applying for benefits on the basis of disability.⁴ The only noted exclusions, according to the *EOM*, pertain to

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- (1) Received Medicaid services, at any time during that period, of a type covered under the plan; and
 - (2) Would have been eligible for Medicaid at the time he received the services if he had applied (or someone had applied for him), regardless of whether the individual is alive when application for Medicaid is made.

³ MassHealth Fair Hearing Rules at 130 CMR 610.071(A)(2) offers an independent basis for approving the requested retroactive start date in this case. The regulation states (with emphasis added):

The hearing officer will not exclude evidence at the hearing for the reason that it had not been previously submitted to the acting entity, provided that the hearing officer may permit the acting entity representative reasonable time to respond to newly submitted evidence. *The effective date of any adjustments to the appellant's eligibility status will be the date on which all eligibility conditions were met, regardless of when the supporting evidence was submitted.*

As discussed above, the evidence shows that Appellant was otherwise eligible for CommonHealth during the gap in coverage due to his disability status. The fact that this information was not received until 8/18/25 should not preclude an adjustment to the effective start date of his CommonHealth benefit.

⁴ Notably, CMS has clarified that individuals applying for Medicaid on a non-MAGI basis, such as disability, may enroll in another type of health insurance (e.g., through the Exchange) pending completion of a "sometimes more time-consuming" Medicaid eligibility determination process, and that, "[o]nce [Medicaid eligibility is] determined, the effective date of Medicaid eligibility is defined in accordance with current regulations at renumbered § 435.915, including up to 3 months of retroactive eligibility prior to the month of application, as applicable under current law." CMS further explained that "during such period of retroactive coverage, customary rules regarding third party liability apply and Medicaid would serve as a secondary payer to the coverage provided through the Exchange." *See*

coverage under HSN, CMSP, QMB, or Health Connector programs. As none of these apply to the instant case, Appellant is entitled to an earlier CommonHealth start date of 6/1/25 to close his existing gap in coverage.

On this basis, the appeal is APPROVED.


Order for MassHealth

Adjust Appellant's CommonHealth benefit to start on 6/1/25, thereby closing the existing gap in coverage.

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.

Casey Groff
Hearing Officer
Board of Hearings


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

Federal Register / Vol 77, No. 57, p. 17186 (3/23/2012). This comment indicates that the three-month retroactive coverage rule is applicable to individuals, like Appellant, who apply for Medicaid on the basis of disability.