

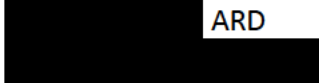
**Office of Medicaid
BOARD OF HEARINGS**

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2509298
Decision Date:	11/19/2025	Hearing Date:	07/25/2025
Hearing Officer:	Radha Tilva	Record Open to:	10/03/2025

Appearances for Appellant:



Appearance for MassHealth:

Sandy Xie, Tewksbury MEC Rep.



*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:	LTC – disqualifying transfer
Decision Date:	11/19/2025	Hearing Date:	07/25/2025
MassHealth’s Rep.:	Sandy Xie	Appellant’s Rep.:	Pro se
Hearing Location:	Tewksbury MEC (telephonic)	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 22, 2025, MassHealth denied the appellant's application for MassHealth long-term care benefits because MassHealth determined that appellant recently gave away or sold assets for less than fair market value resulting in a period of ineligibility from December 8, 2024 to January 9, 2026 (Exhibit 1). The appellant filed this appeal in a timely manner on June 18, 2025 (see 130 CMR 610.015(B) and Exhibit 2). Denial of assistance is valid grounds for appeal (see 130 CMR 610.032). A hearing was held on July 25, 2025 and the record was held open until October 9, 2025 for appellant to submit another appraisal report.

Action Taken by MassHealth

MassHealth determined that appellant was not eligible for MassHealth long-term care benefits because of disqualifying transfers in the amount of \$175,100.00.

Issue

The appeal issue is whether MassHealth was correct in determining that appellant is ineligible for MassHealth long-term care benefits until January 9, 2026 due to disqualifying transfers.

Summary of Evidence

The MassHealth representative testified that appellant entered a long-term care facility on [REDACTED] 2024. MassHealth received the long-term care application on March 6, 2025, which sought an eligibility start date of December 8, 2024. The appellant sold real estate on [REDACTED] 2021, within the lookback period, for under fair market value. The total value of the real estate, according to a real estate tax bill received by MassHealth, was \$175,100.00 and the appellant sold it for \$35,000.00.¹ MassHealth did not receive proof of where the proceeds from the sale were deposited. Because there was no proof of where the \$35,000.00 went, MassHealth determined that the total amount of the resource transfer amounted to \$175,100 which equals a 398-day penalty period (using a nursing home rate of \$441.00).

The appellant was represented by an attorney at hearing. The representative submitted a letter, dated June 9, 2025, from the company that purchased the property at issue. The letter stated that the company purchased the property for \$35,000.00 because it reflected the condition of the property at the time of their offer. The property required a new septic system, commercial zoning of the property, and the property had nonconforming status as an undersized lot, which limits the improvement and new construction on the lot. The final price was also reflective of additional accommodations made for appellant to make the sale easier and more beneficial for her, including allowing her to live on the property until [REDACTED] 2021, at no cost (Exhibit 6). The attorney explained that the person that wrote the letter has no interest or concern about whether appellant is approved for long-term care services. The attorney further argued that the property would not have sold for \$175,000.00 at the time. The attorney stated that the funds appellant received from the sale were in cash and used to pay for her expenses.

The hearing record was left open for appellant to submit an appraisal report. A report was submitted on September 2, 2025 whereby the appraiser determined that the property had an estimated value of \$60,000 as of the date of sale, [REDACTED] 2021 (Exhibit 8). The appraiser felt that the buyer negotiated a favorable sale price due to the home never being listed for sale in MLS, being able to live in the property months after closing, leaving personal property for disposal, and no Title 5 private waste inspection. The attorney wrote that this appraisal report substantiates the factors provided in the letter from the company that purchased the property and argued that the Board of Hearings should thus accept the report as true and sufficient proof that the property was sold by appellant for fair market value.

In addition, the attorney submitted bank statements from January 1, 2021 through March 31, 2021 with a breakdown of how the money from the proceeds of the sale was spent (see Exhibit 8). The attorney argued that the appellant spent down the funds by using it to pay for her basic needs

¹ According to the tax assessor's statement for 2021 the land was worth \$128,000 and the building/home was worth \$51,800.00 (see Exhibit 5, p. 6).

such as water, heat, electricity, insurance, and phone bill. The attorney further explained that it was likely that cash withdrawals amounting to \$22,800.00 were used to purchase rent, food, medications, health insurance, vehicle, gas, transportation, clothing, personal care, and other entertainment needs (Exhibit 8). Thus, the Board of Hearings should accept the bank statements as true and sufficient proof of spenddown of the sale proceeds (*Id.*).

MassHealth reviewed the information submitted and responded on September 24, 2025 as follows:

MassHealth has received the documents pertaining to the appraisal and the disposition of funds. Regarding the appraisal dated 01/08/2021, it reflects a value of \$60,000.00 but does not specify whether this applies solely to the building or the land. The tax bill, however, indicates a value of \$175,000.00, and the property is currently listed for sale at \$219,900.00 with no work reported as having been done.

With respect to the funds, \$20,000.00 was deposited into an account under the member's name that was not reported to MassHealth, and there are no verifications to account for \$22,800.00 in cash withdrawals.

Based on this information, MassHealth upholds its denial.

(see Exhibit 9).

Findings of Fact

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

1. Appellant entered a long-term care facility on [REDACTED] 2025.
2. An application for long-term care services was received on March 6, 2025, seeking an eligibility start date of December 8, 2024.
3. The appellant sold real estate on [REDACTED] 2021 for \$35,000; MassHealth deemed the sale a disqualifying resource transfer resulting in a 398-day penalty period.
4. The real estate tax bill from 2021 showed that the property was worth approximately \$175,100.00; a tax assessment for 2021 reports the land was worth \$128,000 and the building/home was worth \$51,800.00.
5. An appraisal report completed during the record open period showed that the fair market value at the time of the sale was approximately \$60,000.00.

6. MassHealth felt that the appraisal did not specify if the amount was for the building or land and also pointed to the fact that the property is currently listed for sale at \$219,900.00.
7. A breakdown of how the proceeds from the sale were spent was provided post-hearing and included approximately \$22,800.00 in cash withdrawals.

Analysis and Conclusions of Law

MassHealth administers and is responsible for the delivery of health-care services to MassHealth members (130 CMR 515.002). The regulations governing MassHealth at 130 CMR 515.000 through 522.000 (referred to as Volume II) provide the requirements for noninstitutionalized persons aged 65 or older, institutionalized persons of any age, persons who would be institutionalized without community-based services, as defined by Title XIX of the Social Security Act and authorized by M.G.L. c. 118E, and certain Medicare beneficiaries (130 CMR 515.002). The appellant in this case is an institutionalized person. Therefore, the regulations at 130 CMR 515.000 through 522.000 apply to this case (130 CMR 515.002).

The regulations at 130 CMR 520.019 apply to nursing-facility residents requesting MassHealth payment for nursing-facility services provided in a nursing facility or in any institution for a level of care equivalent to that received in a nursing facility, or for home- and community-based services provided in accordance with 130 CMR 519.007(B). Under this section, transfers of resources are subject to a look-back period, beginning on the first date the individual is both a nursing facility resident and has applied for or is receiving MassHealth Standard (130 CMR 520.019(B)).

The governing regulation on disqualifying transfers of resources is 130 CMR 520.019(C), which states that MassHealth considers any transfer during the appropriate look-back period by the nursing-facility resident or spouse of a resource, or interest in a resource, owned by or available to the nursing-facility resident or the spouse (including the home or former home of the nursing-facility resident or the spouse) for less than fair-market value a disqualifying transfer unless listed as permissible in 130 CMR 520.019(D), identified in 130 CMR 520.019(F), or exempted in 130 CMR 520.019(J). A disqualifying transfer may include any action taken that would result in making a formerly available asset no longer available (130 CMR 520.019(C)).

MassHealth does consider certain transfers as permissible (130 CMR 520.019(D)). Such permissible transfers include a transfer of resources to the spouse of the nursing-facility resident, a transfer from the spouse to a third-party for the benefit of the spouse, a transfer to a permanently and totally disabled or blind child, a transfer to a trust for the sole benefit of a permanently and totally disabled person who was under 65 years of age, a transfer to a pooled trust created for the sole benefit of the nursing-facility resident, certain transfers of the

nursing-facility resident's home, and a transfer to a burial account or similar device (130 CMR 520.019(D)). There is no evidence that the transfer at issue in this case reflects any such transfer (130 CMR 520.019(D)).

In addition to the permissible transfers described in 130 CMR 520.019(D), MassHealth will not impose a period of ineligibility for transferring resources at less than fair-market value if the nursing-facility resident or the spouse demonstrates to the MassHealth agency's satisfaction that:

- (1) the resources were transferred exclusively for a purpose other than to qualify for MassHealth; or
- (2) the nursing-facility resident or spouse intended to dispose of the resource at either fair-market value or for other valuable consideration. (130 CMR 520.019(F)).

The regulations state that valuable consideration is a tangible benefit equal to at least the fair-market value of the transferred resource (130 CMR 520.019(F)). The regulations support MassHealth's argument that the applicant or member must verify the fair-market value by providing a copy of the most recent tax bill or the property tax assessment that was most recently issued (130 CMR 520.007(G)(3)(a)). It is undisputed that the tax bill/assessment is well above the sale price of the home, however, the regulations allow for the fair market value, as MassHealth determines, to be rebutted by a comparable market analysis or a written appraisal of the value of the property from a knowledgeable source (130 CMR 520.007(G)(3)(b)). A knowledgeable source is defined as a licensed real-estate agent or broker, a real-estate appraiser, an official of a bank, a savings-and-loan association, or a similar lending organization, or an official of the local real-estate tax jurisdiction (130 CMR 520.007(G)(3)(b)). Further, an offer to buy real estate is considered reasonable by MassHealth if it is at least two-thirds of the fair-market value, unless the individual proves otherwise to the MassHealth agency's satisfaction (130 CMR 520.007(G)(4)).

The first report by the company that purchased the home does not fall within the definition of an appropriate market analysis or written appraisal because it was written by the company that purchased the home. The second report submitted on September 2, 2025, does fall under the definition of an appropriate market analysis as it was performed by a real-estate appraiser, however, that appraiser suggested that the property had an estimated value of \$60,000.00, which makes the sale less than two-thirds of the "fair market value" and thus not reasonable.

Given the above regulations, MassHealth's analysis is correct. Appellant did not demonstrate that she sold her property for fair market value or for valuable consideration. Moreover, the appellant has not demonstrated to the agency's satisfaction where the bulk of the funds were spent (i.e....\$22,800 in cash withdrawals). Thus, MassHealth did not err in determining that the appellant made a disqualifying transfer in the amount of \$171,500 resulting in a 398-day penalty period. For these reasons the 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.

Radha Tilva
Hearing Officer
Board of Hearings

[REDACTED]

[REDACTED]

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