

**Office of Medicaid  
BOARD OF HEARINGS**

**Appellant Name and Address:**



<b>Appeal Decision:</b>	Dismissed, in part, Approved, in part, Denied, in part	<b>Appeal Number:</b>	2509301
<b>Decision Date:</b>	10/6/2025	<b>Hearing Date:</b>	7/25/2025
<b>Hearing Officer:</b>	Patrick Grogan	<b>Record Open to:</b>	8/15/2025

**Appearance for Appellant:**



**Appearance for MassHealth:**

Michael Richelson, MassHealth Tewksbury

**Interpreter:**

N/A



*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>	Dismissed, in part, Approved, in part, Denied, in part	<b>Issue:</b>	Eligibility over 65, Income
<b>Decision Date:</b>	10/6/2025	<b>Hearing Date:</b>	7/25/2025
<b>MassHealth's Rep.:</b>	Michael Richelson	<b>Appellant's Rep.:</b>	[REDACTED]
<b>Hearing Location:</b>	Remote (Tel)	<b>Aid Pending:</b>	Yes

### 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 June 2, 2025, MassHealth determined that the Appellant was not eligible for MassHealth benefits because MassHealth determined that the Appellant's assets were above the asset limit. (Exhibit 1, 130 CMR 519.002, 130 CMR 519.010). Through a second notice dated June 18, 2025, MassHealth determined that the Appellant was not eligible for MassHealth benefits because MassHealth determined that the Appellant's income was too high. (Exhibit 1A, 130 CMR 519.002, 130 CMR 519.010). The Appellant filed this appeal in a timely manner on June 17, 2025 (130 CMR 610.015(B); Exhibit 2) and on June 30, 2025. (130 CMR 610.015(B); Exhibit 2A). Denial of MassHealth benefits is valid grounds for appeal (130 CMR 610.032).

### Action Taken by MassHealth

MassHealth determined that the Appellant was not eligible for MassHealth benefits because MassHealth determined that the Appellant's assets were above the asset limit. (Exhibit 1, 130 CMR 519.002, 130 CMR 519.010). Through a second notice dated June 18, 2025, MassHealth determined that the Appellant was not eligible for MassHealth benefits because MassHealth determined that the Appellant's income was too high. (Exhibit 1A, 130 CMR 519.002, 130 CMR 519.010)

## Issue

The appeal issue is whether MassHealth was correct, pursuant to 130 CMR 519 and 130 CMR 520, in determining that the Appellant was not eligible for MassHealth benefits because MassHealth determined that the Appellant's income and assets were too high. (Exhibit 1, Exhibit 1A).

## Summary of Evidence

MassHealth testified that the Appellant is an adult over the age [REDACTED] who lives in a household of one. (Testimony) MassHealth testified there was no disability attributed to the Appellant. (Testimony) Regarding the denial for excess assets, through a Notice dated June 2, 2025, MassHealth determined that the Appellant's assets totaled \$2,505.26 as of the date of the Notice, exceeding the asset limit for MassHealth Standard. (Testimony, Exhibit 1). The Appellant stated that this issue had resolved. (Testimony) MassHealth confirmed that the Appellant had shown her assets reduced to below the limit for MassHealth benefits. Based upon this determination, the Appellant indicated that she wished to withdraw the appeal related to the June 2, 2025 Notice. (Testimony)

Regarding income, MassHealth testified that the Appellant's income totaled \$3,069 gross per month, exceeding the income limit for MassHealth Standard. (Testimony) MassHealth explained that the Appellant received \$999 from Social Security, and \$2,070 from rental income. (Testimony) MassHealth explained that the income limit for MassHealth benefits was \$1,305/month. (Testimony)

The Appellant submitted documents in support of the appeal. (Exhibit 6). The documents include a letter from the co-owner of real property. (Exhibit 6, pg.1) The co-owner indicated that the money received from the [REDACTED] is shared equally between the Appellant and the co-owner. (Exhibit 6, pg. 1) Within the submitted documents is a letter from the [REDACTED] indicating that the total subsidy paid is \$2,078 as of July 1, 2025. (Exhibit 6, pg.2) Additionally, the Appellant's tenant pays an additional \$200/month to the landlords, the Appellant receives half (\$100) of that income. (Testimony, Exhibit 6, pg.1) Within the submitted documentation is a 1099 Miscellaneous Income Form from the [REDACTED] indicating that the Appellant received \$24,840 in 2024. (Exhibit 6, g. 3) The Appellant confirmed that the Appellant received one half of that amount (\$12,420 in 2024). (Testimony)

At Hearing, the Appellant confirmed that figures in her submission were accurate. (Testimony). The Appellant confirmed she receives \$999/month from Social Security and receives one half of the subsidy (\$1,039/month). (Testimony) The Appellant confirmed that she receives just over \$2000/month in income, once totaled. (Testimony) Accordingly, the Appellants' income

totals \$2,138 (\$999 from Social Security, \$1,039 from the [REDACTED] and \$100 from the tenant). (Testimony)

The Appellant inquired about expenses related to the rental income, and it was revealed that the Appellant did not provide any information related to business expenses related to the rental property. (Testimony) At the request of the Appellant, a Record Open period issued. The Appellant had until August 8, 2025 to provide information related to business expenses pertaining to the rental property (utilities, maintenance and repairs, etc.) and MassHealth had until August 15, 2025 to recalculate the Appellant's eligibility. (Testimony, Exhibit 7) There was no objection to this appeal incorporating the new determination, and MassHealth was to supply the new determination as well. (Testimony, Exhibit 7)

The Record Open period expired. In response to inquiry posed, MassHealth indicated that no documentation was received regarding business expenses with no change in the Appellant's determination. (Exhibit 8)

## **Findings of Fact**

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

1. The Appellant is over age [REDACTED] lives in a one-person household, and has no disability attributed. (Exhibit 1, Testimony).
2. As of the June 2, 2025 Notice, the Appellant had assets totaling \$2,505.26 at the time of the Notice. (Exhibit 1)
3. The asset issue resolved prior to Hearing and the Appellant withdrew the Appeal of the June 2, 2025 Notice at Hearing. (Testimony)
4. The Appellant has a monthly income of \$2,138 (\$999 from Social Security, \$1,039 from the [REDACTED] and \$100 from the tenant). (Testimony, Exhibit 6)
5. For 2025, 100% of the Federal Poverty Level (FPL) is \$1,305.00 a month, or \$15,660 a year, for a household of 1. (2025 MassHealth Income Standards and Federal Poverty Guidelines)

## **Analysis and Conclusions of Law**

The Appellant has the burden "to demonstrate the invalidity of the administrative determination." Andrews v. Division of Medical Assistance, 68 Mass. App. Ct. 228. See also Fisch v. Board of Registration in Med., 437 Mass. 128, 131 (2002); Faith Assembly of God of S. Dennis & Hyannis, Inc. v. State Bldg. Code Commn., 11 Mass. App. Ct. 333, 334 (1981); Haverhill Mun. Hosp. v. Commissioner of the Div. of Med. Assistance, 45 Mass. App. Ct. 386, 390 (1998).

The Regulations promulgated at 130 CMR 515.000 through 520.000 provide the requirements for MassHealth eligibility for persons aged ■ and older. (130 CMR 515.002). A Community Resident aged ■ and older may establish eligibility for MassHealth Standard coverage if the countable income is less than or equal to 100% of the Federal Poverty Level and the countable assets for an individual are \$2,000 or less or for a married couple living together are \$3,000 or less pursuant to 130 CMR 519.005:

**519.005: Community Residents 65 Years of Age or Older**

(A) Eligibility Requirements. Except as provided in 130 CMR 519.005(C), noninstitutionalized individuals ■ years of age and older may establish eligibility for MassHealth Standard coverage provided they meet the following requirements:

- (1) the countable income amount, as defined in 130 CMR 520.009: Countable-income Amount, of the individual or couple is less than or equal to 100% of the federal poverty level; and
- (2) the countable assets of an individual are \$2,000 or less, and those of a married couple living together are \$3,000 or less.

(B) Financial Standards Not Met. Except as provided in 130 CMR 519.005(C), individuals whose income, assets, or both exceed the standards set forth in 130 CMR 519.005(A) may establish eligibility for MassHealth Standard by reducing their assets in accordance with 130 CMR 520.004: Asset Reduction, meeting a deductible as described at 130 CMR 520.028: Eligibility for a Deductible through 520.035: Conclusion of the Deductible Process, or both.

Pursuant to 130 CMR 520.004, if an applicant exceeds the asset limit, an applicant may reduce assets to qualify:

**520.004: Asset Reduction**

(A) Criteria.

- (1) An applicant whose countable assets exceed the asset limit of MassHealth Standard, Family Assistance, or Limited may be eligible for MassHealth
  - (a) as of the date the applicant reduces his or her excess assets to the allowable asset limit without violating the transfer of resource provisions for nursing-facility residents at 130 CMR 520.019(F); or
  - (b) as of the date, described in 130 CMR 520.004(C), the applicant incurs medical bills that equal the amount of the excess assets and reduces the

assets to the allowable asset limit within 30 days after the date of the notification of excess assets.

(2) In addition, the applicant must be otherwise eligible for MassHealth.

The Appellant's asset total had been reduced at the time of Hearing. Accordingly, the Appellant's countable assets no longer exceed the asset limit. Since the Appellant withdrew this portion of the appeal at Hearing, this portion of the appeal is DISMISSED.

Regarding the Appellant's income, the Appellant exceeds the limit for MassHealth Standard. For 2025, 100% of the FPL for a household of one is \$1,305.00 per month. The Appellant's gross unearned income totals \$ 2,138 (\$999 from Social Security, \$1,039 from the [REDACTED] and \$100 from the tenant). (Testimony, Exhibit 6).

This amount exceeds 100% of the FPL for 2025. Pursuant to 130 CMR 520.013(A), a deduction is applied:

**520.013: Community Unearned-income Deductions**

In addition to business expenses described at 130 CMR 520.010, the MassHealth agency allows the deductions listed below from the total gross unearned income. These deductions do not apply to the income of a community spouse described at 130 CMR 520.026(B). The deductions allowed from the total gross unearned income are the following:

- (A) a deduction of \$20 per individual or married couple; or
- (B) in determining eligibility for MassHealth Standard, a deduction that is equivalent to the difference between the applicable MassHealth deductible-income standard at 130 CMR 520.030 and 133% of the federal poverty level. This deduction includes, and is not in addition to, the \$20 disregard.

(1) This deduction from gross unearned income is allowed only for persons who

- (a) are [REDACTED] years of age and older;
- (b) are receiving personal-care attendant services paid for by the MassHealth agency, or have been determined by the MassHealth agency, through initial screening or by prior authorization, to be in need of personal-care attendant services; and
- (c) prior to applying the deduction at 130 CMR 520.013(B), have countable income that is over 100% of the federal poverty level.

(2) The MassHealth agency will redetermine eligibility without this deduction if

- (a) after 90 days from the date of the MassHealth agency eligibility approval notice, the person is not receiving personal-care attendant services paid for by the MassHealth agency or has not submitted, upon request from the MassHealth agency, proof of efforts to obtain personal-care attendant services paid for by the MassHealth agency; or x
  - (b) the MassHealth agency denies the prior-authorization request for personal-care attendant services.
- (3) If countable income, prior to applying the deduction at 130 CMR 520.013(B), is greater than 133% of the federal poverty level, eligibility is determined under 130 CMR 519.005(B): Financial Standards Not Met.

The Appellant's countable unearned income, once the \$20 deduction is applied, calculates to \$2,118, which exceeds 100% of the FPL for a household of one for 2025. The Appellant is not financially eligible for MassHealth Standard at this time<sup>1</sup>.

The Appellant, as a community-based individual, whose countable-income amount exceeds the 100% federal poverty level income standards, is eligible for a deductible pursuant to 130 CMR 520.028(B). The deductible period is a six-month period that starts on the first day of the month of application or may begin up to three months before the first day of the month of application. The applicant is eligible for this period of retroactivity only if the applicant incurred medical expenses covered by MassHealth and was otherwise eligible. (130 CMR 520.029)

The method of derivation of a deductible is codified within the Regulations at 130 CMR 520.030:

**520.030: Calculating the Deductible**

The deductible is determined by multiplying the excess monthly income by six. Excess monthly income is the amount by which the applicant's countable-income amount as described in 130 CMR 520.009 exceeds the MassHealth deductible-income standard.

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<sup>1</sup> At Hearing, the Appellant indicated that she had business expenses and requested an opportunity to provide that information to MassHealth. 130 CMR 520.010 explains allowable business expenses. However, despite the Appellant's request to extend the Record Open, and despite a Record Open period issuing, no information was received. (Exhibit 8)

MASSHEALTH DEDUCTIBLE-INCOME STANDARDS		
Number of <u>Persons</u>	Monthly-Income Standard for <u>Community Residents</u>	Monthly-Income Standard for Long- term-care-facility <u>Residents</u>
1	\$522	\$72.80
2	\$650	

The Appellant’s countable income for the deductible calculation is \$2,118. The MassHealth Income Standard applicable to an individual age ■ or older residing in the community is \$522.00 per month for a household of one. (130 CMR 520.030) The deductible is the total dollar amount of incurred medical expenses that an individual is responsible for before MassHealth eligibility is established. (130 CMR 520.031). The deductible period is 6 months, and the deductible is determined by multiplying the excess monthly income by 6. (130 CMR 520.029, 520.030). The excess monthly income is the amount by which the Appellant’s countable income exceeds the MassHealth Income Standard. (130 CMR 520.030). In the present case, the Appellant’s countable income is \$2,118, as calculated above, and exceeds the MassHealth income standard of \$522.00. At the time of Hearing, the Appellant did not self-pay for health insurance coverage. This amount (\$2,118-\$522) equates to \$1,596. This amount is multiplied by 6 to determine the 6-month deductible of \$9,576<sup>2</sup>. (Testimony, Exhibit 1).

Pursuant to the Regulations, the Appellant is responsible for \$9,576 of incurred medical expenses for the 6-month deductible period of June 2025 to November 2025 before eligibility for MassHealth Standard can be established. Accordingly, this Appeal is approved, in part, denied, in part, and dismissed, in part. The portion of the Appeal regarding the Appellant being over assets resolved prior to Hearing, and the Appellant indicated that she wished to withdraw the portion of the Appeal as it related to assets. Accordingly, the portion of the Appeal related to assets is DISMISSED. Based upon this Record, the Appellant has met the burden, by a preponderance of evidence, to show the invalidity of the administrative determination of MassHealth, in part. Based upon the updated information related to income, MassHealth’s calculation of the deductible must be updated. The portion of the Appeal related to the calculation of the deductible is ALLOWED; the Appellant’s revised 6-month deductible is \$9,576. Accordingly, the Appellant, being over income for MassHealth benefits, the remainder of this Appeal is DENIED.

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<sup>2</sup> The Appellant updated the income information used at Hearing. The Notice under appeal utilized the prior income figures. The Notice under appeal does not account for the Appellant receiving half of the subsidy and rent for the rental property.

## **Order for MassHealth**

End Aid Pending. Adjust the Appellant's deductible amount to conform to the evidence presented at Hearing: 6-month deductible \$9,576 .

## **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.

## **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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Patrick Grogan  
Hearing Officer  
Board of Hearings

MassHealth Representative: Sylvia Tiar, Tewksbury MassHealth Enrollment Center, 367 East Street, Tewksbury, MA 01876-1957, 978-863-9290