

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2509857
Decision Date:	9/22/2025	Hearing Date:	07/31/2025
Hearing Officer:	Marc Tonaszuck		

Appearance for Appellant:

Pro se

Appearances for MassHealth:

Ana Duverge Roy, MEC; Karishma Raja,
MassHealth Premium Billing Unit



*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:	Community Eligibility – Under 65; Premium Billing
Decision Date:	9/22/2025	Hearing Date:	07/31/2025
MassHealth's Reps.:	Ana Duverge Roy; MEC; Karishma Raja, MassHealth Premium Billing Unit	Appellant's Rep.:	Pro se
Hearing Location:	Springfield MassHealth Enrollment Center	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 06/17/2025, MassHealth informed the appellant that it approved her application for MassHealth CommonHealth benefits with a monthly premium of \$162.40 (130 CMR 506.011; Exhibit 1). The appellant filed a timely appeal on 07/02/2025 (130 CMR 610.015; Exhibit 2). Individual MassHealth agency determinations regarding scope and amount of assistance (including, but not limited to, level-of-care determinations) are valid grounds for appeal (130 CMR 610.032).

Action Taken by MassHealth

MassHealth approved the appellant's MassHealth CommonHealth benefits and calculated a monthly premium of \$162.40.

Issue

The issue is whether MassHealth is correct in determining that the appellant is eligible for MassHealth CommonHealth benefits and whether MassHealth correctly calculated the monthly premium of \$162.40.

Summary of Evidence

A MassHealth representative from the MassHealth Premium Billing Unit (PBU) and the MassHealth representative from the MassHealth Enrollment Center (MEC) testified virtually that on 06/17/2025, the appellant an adult resident in the community, who is between the ages of 20 and 65, was approved for MassHealth CommonHealth benefits as a disabled working adult. Her premium was calculated to be \$162.40 per month beginning in July 2025. The premium was based on the appellant's household size of one and the reported income of \$5,663.00 per month, which equals 434% of the federal poverty level (FPL). The MassHealth representative testified that the income limit for MassHealth Standard benefits as a disabled person is 133% of the FPL, or \$1,735.00 per month. Because the appellant's income exceeds 133% of the FPL, she was determined to be not eligible for MassHealth Standard benefits, but she was determined to be eligible for MassHealth CommonHealth benefits.

The PBU representative testified that the appellant's account is current, but she has a balance of \$162.40 for an unpaid premium in July 2025. The PBU representative informed the appellant that if she is having difficulty paying the premiums, she can apply for a hardship waiver. She volunteered to send the appellant a hardship waiver after the hearing.

The appellant appeared at the fair hearing in person, and she testified that she pays \$1,200.00 per month in rent, which is "about three quarters of my income." She testified she cannot afford the monthly premiums with her income. She did not dispute her income or household size.

Findings of Fact

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

1. The appellant is an adult who lives in the community and is between the ages of 20 and 65. The appellant has been determined to be disabled. She counted as a household of one person for the purposes of MassHealth eligibility (Testimony).
2. On 06/17/2025, the appellant was approved for MassHealth CommonHealth benefits as a disabled working adult with a \$162.40 per month premium beginning in July 2025.

3. The appellant's reported income was \$5,663.00 per month, which equals 434% of the federal poverty level (FPL) for a household of one.
4. One hundred thirty-three percent of the FPL for a household of one is \$1,735.00 per month.
5. As of the hearing date, the appellant's benefits are active and she has one month premium balance due to MassHealth.

Analysis and Conclusions of Law

MassHealth regulations at 130 CMR 505.000 explain the categorical requirements and financial standards that must be met to qualify for a MassHealth coverage type. The rules of financial responsibility and calculation of financial eligibility are detailed in 130 CMR 506.000: *Health Care Reform: MassHealth: Financial Requirements*.

- (1) **Standard** - for pregnant women, children, parents and caretaker relatives, young adults, **disabled individuals**, certain persons who are HIV positive, individuals with breast or cervical cancer, independent foster care adolescents, Department of Mental Health members, and medically frail as such term is defined in 130 CMR 505.008(F);
- (2) CommonHealth - for disabled adults, disabled young adults, and disabled children who are not eligible for MassHealth Standard;
- (3) CarePlus - for adults 21 through 64 years of age who are not eligible for MassHealth Standard;
- (4) Family Assistance - for children, young adults, certain noncitizens, and persons who are HIV positive who are not eligible for MassHealth Standard, CommonHealth, or CarePlus;
- (5) Small Business Employee Premium Assistance - for adults or young adults who
 - (a) work for small employers;
 - (b) are not eligible for MassHealth Standard, CommonHealth, Family Assistance, or CarePlus;
 - (c) do not have anyone in their premium billing family group who is otherwise receiving a premium assistance benefit; and
 - (d) have been determined ineligible for a Qualified Health Plan with a Premium Tax Credit due to access to affordable employer-sponsored insurance coverage;
- (6) Limited - for certain lawfully present immigrants as described in 130 CMR 504.003(A), nonqualified PRUCOLs, and other noncitizens as described in 130 CMR 504.003: *Immigrants*; and
- (7) Senior Buy-In and Buy-In - for certain Medicare beneficiaries.

(Emphasis added.)

In order to establish eligibility for MassHealth benefits, applicants must meet both the categorical and financial requirements. The appellant is categorically eligible for MassHealth Standard and CommonHealth as someone who has been determined to be disabled. As appellant is categorically eligible, the next step is to determine financial eligibility which requires, pursuant to 130 CMR 506.007, that the MassHealth agency construct a household as described in 130 CMR 506.002 for each individual who is applying for or renewing coverage. For applicants or members who are categorically eligible for MassHealth Standard or CommonHealth due to their disability, MassHealth uses the MassHealth Disabled Adult household composition rules defined at 130 CMR 506.002(C) as:

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

It is undisputed that the household size is one. The appellant also did not dispute her income, as reported to MassHealth. The income limit for MassHealth Standard is 133% of the federal poverty level which is determined by taking the modified adjusted gross income of the MassHealth Disabled Adult household (see 130 CMR 505.002(E)(1)(b)). 133% of the federal poverty level for a household size of one is equal to \$1,735.00. Therefore, appellant's income has to be less than or equal to \$1,735.00 to qualify for MassHealth Standard.

The next step is to determine appellant's modified adjusted gross income which is determined by taking the countable income which includes earned income as 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) (see 130 CMR 506.007). Regulation 130 CMR 506.003 which is below defines earned income, unearned income and deductions:

(A) Earned Income.

- (1) Earned income is the total amount of taxable compensation received for work or services performed less pretax deductions. Earned income may include wages, salaries, tips, commissions, and bonuses.
- (2) Earned taxable income for the self-employed is the total amount of taxable annual income from self-employment after deducting annual business expenses listed or allowable on a U.S. Individual Tax Return. Self-employment income may be a profit or a loss.
- (3) Earned income from S-Corporations or Partnerships is the total amount of taxable annual profit (or loss) after deducting business expenses listed or allowable on a U.S. Individual Tax Return.

(4) Seasonal income or other reasonably predictable future income is taxable income derived from an income source that may fluctuate during the year. Annual gross taxable income is divided by 12 to obtain a monthly taxable gross income with the following exception: if the applicant or member has a disabling illness or accident during or after the seasonal employment or other reasonably predictable future income period that prevents the person's continued or future employment, only current taxable income will be considered in the eligibility determination.

(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.

(C) Rental Income. Rental income is the total amount of taxable income less any deductions listed or allowable on an applicant's or member's U.S. Individual Tax Return.

(D) Deductions. The following are allowable deductions from countable income when determining MAGI:

- (1) educator expenses;
- (2) reservist/performance artist/fee-based government official expenses;
- (3) health savings account;
- (4) moving expenses;
- (5) 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; and
- (11) higher education tuition and fees.

The appellant has not asserted that she has any of the above deductions. At the times relevant to this appeal, the appellant reported her income to MassHealth as \$5,663.00 per month, which exceeds 133% of the FPL, \$1,735.00. MassHealth properly determined that the appellant is not financially eligible for MassHealth Standard benefits.

In order to establish eligibility for MassHealth CommonHealth as a disabled adult the appellant must either meet a one-time-deductible in accordance with 130 CMR 506.009 (130 CMR 505.004(C)(5)(a)) or provide verification that she works at least 40 hours per month. In this case, MassHealth had a record of the appellant's employment that met this requirement. Therefore,

MassHealth correctly determined that, based on the information it has in its system, the appellant is eligible for MassHealth CommonHealth benefits as a working disabled adult.

Regulations at 130 CMR 506.011(B)(2)(b) provide the formulas that the MassHealth agency uses to determine the monthly premiums for people who are receiving MassHealth CommonHealth, as follows:

The full premium formula for young adults with household income above 150 percent of the FPL, adults with household income above 150 percent of the FPL, and children with household income above 300 percent of the FPL is provided as follows. The full premium is charged to members who have no health insurance and to members for whom the MassHealth agency is paying a portion of their health-insurance premium.

(CommonHealth Full Premium Formula Young Adults and Adults above 150% of the FPL and Children above 300% of the FPL)		
Base Premium	Additional Premium Cost	Range of Monthly Premium Cost
Above 150% FPL—start at \$15	Add \$5 for each additional 10% FPL until 200% FPL	\$15 - \$35
Above 200% FPL—start at \$40	Add \$8 for each additional 10% FPL until 400% FPL	\$40 - \$192
<i>Above 400% FPL—start at \$202</i>	<i>Add \$10 for each additional 10% FPL until 600% FPL</i>	<i>\$202 - \$392</i>
Above 600% FPL—start at \$404	Add \$12 for each additional 10% FPL until 800% FPL	\$404 - \$632
Above 800% FPL—start at \$646	Add \$14 for each additional 10% FPL until 1000%	\$646 - \$912
Above 1000% FPL—start at \$928	Add \$16 for each additional 10% FPL	\$928 + greater

The supplemental premium formula for young adults, adults, and children with household income above 300% of the FPL is provided as follows. A lower supplemental premium is charged to members who have health insurance to which the MassHealth agency does not contribute. Members receiving a premium assistance payment from the MassHealth agency are not eligible for the supplemental premium rate.

CommonHealth Supplemental Premium Formula	
% of Federal Poverty Level (FPL)	Monthly Premium Cost
Above 150% to 200%	60% of full premium

Above 200% to 400%	65% of full premium
Above 400% to 600%	70% of full premium
Above 600% to 800%	75% of full premium
Above 800% to 1000%	80% of full premium
Above 1000%	85% of full premium

The appellant has not presented evidence that she meets the requirements of 130 CMR 506.011(J) as a member who is exempted from paying premiums. Therefore, in June 2025, MassHealth correctly used the appellant's gross monthly countable income of \$5,663.00 and correctly determined that her income is 434% of the federal poverty level. Because her income level fell between 400% and 600% of the federal poverty level, MassHealth began the premium calculation at \$202.00 and added \$10.00 for each 10% of the FPL over 400% to calculate the full premium of \$232.00. Because the appellant has other health insurance as a primary insurer, her MassHealth CommonHealth premium is 70% of the full premium. MassHealth's calculation of a monthly premium of \$162.40 (\$232.00 X 0.70) is supported by the relevant facts in the hearing record and the MassHealth regulations. This appeal is therefore 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.

Marc Tonaszuck
Hearing Officer
Board of Hearings

MassHealth Representative: Dori Mathieu, Springfield MassHealth Enrollment Center, 88 Industry Avenue, Springfield, MA 01104,