

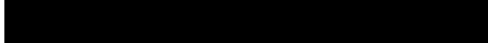
**Office of Medicaid
BOARD OF HEARINGS**

Appellant Name and Address:



Appeal Decision:	Denied; Remanded	Appeal Number:	2510509
Decision Date:	10/1/2025	Hearing Date:	08/18/2025
Hearing Officer:	Christopher Jones		

Appearance for Appellant:



Appearance for MassHealth:

Krystina Trout – Springfield Intake



*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; Remanded	Issue:	Long Term Care; Coverage start date
Decision Date:	10/1/2025	Hearing Date:	08/18/2025
MassHealth's Rep.:	Krystina Trout	Appellant's Rep.:	[REDACTED]
Hearing Location:	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 June 17, 2025, MassHealth approved the appellant's July 2024 application for MassHealth long-term care benefits as of September 16, 2024. (Exhibit 1.) The appellant filed this appeal in a timely manner on July 16, 2025. (Exhibit 1; 130 CMR 610.015(B).) Limitations of assistance are valid grounds for appeal. (130 CMR 610.032.)

Action Taken by MassHealth

MassHealth imposed a 22-day period of ineligibility arising from a "Haley" calculation, and then MassHealth then imposed a 43-day period of ineligibility arising from a disqualifying transfer penalty.

Issue

The appeal issue is whether MassHealth correctly calculated the appellant's eligibility for long-term care benefits, pursuant to 130 CMR 520.004 and 520.018 – 520.019.

Summary of Evidence

The facts underlying this appeal are undisputed. The appellant entered the nursing facility in the [REDACTED] An application for long-term care benefits was filed in July 2024, after reducing

some assets through private payment, and the appellant requests that long-term care benefits start as of July 13, 2024. The appellant had 2 assets: a bank account with \$26,032, and a revocable annuity with a surrender value of \$14,061. The combined assets were \$40,093. The appellant's assets were not reduced to below \$2,000 until after February 2025.

The appellant spent \$9,000 on pre-paid funeral arrangements, and \$1,500 to cover the cost of her burial. The appellant had also privately paid the nursing facility \$18,270 for her care through July 12, 2024. After removing these \$28,770, the appellant had a remainder of excess assets of \$9,323. MassHealth's representative testified that the average daily rate for nursing facilities in Massachusetts at the time was \$441, and she used that number to calculate the number of days the appellant could have paid privately at the nursing facility. Based upon this "Haley" calculation, MassHealth delayed the appellant's start date by 22 days, or August 4, 2024.

The appellant had also written 3 large checks to an individual in the year before she entered the nursing facility. These three checks totaled \$18,773. These checks were never verified, and MassHealth treated them as disqualifying transfers. MassHealth divided these transfers by \$441, and assessed a 43-day period of ineligibility, running from August 4, 2024, to September 16, 2024. The personal representative of the appellant's estate agreed that these checks should be treated as disqualifying transfers.

The personal representative of the appellant's estate testified that the nursing facility at which the appellant resided had filed the petition for her to be appointed as the appellant's personal administrator. The nursing facility asked her to pursue this appeal, even though she had no evidence to challenge MassHealth's determination. It was noted that MassHealth used the wrong denominator in calculating both the Haley calculation and the transfer penalty. MassHealth is supposed to apply the private pay rate at the specific nursing facility for Haley calculations. MassHealth's exhibit shows that the private pay rate at the facility was \$435 per day. The average daily rate for applications filed prior to November 1, 2024, was \$433.

The appellant's representative was given the opportunity to withdraw the appeal, allowing MassHealth's calculation to stand, or to offer additional evidence or law that should alter the calculation reviewed. The appellant's representative asked that a fair hearing decision be issued in accordance with the law.

Findings of Fact

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

- 1) The appellant applied for long-term care services in [REDACTED]. At the time of the application, the appellant's total assets were \$40,093. (Exhibit 4; Exhibit 5.)
- 2) The appellant privately paid the nursing facility \$18,270 for her care through [REDACTED] (Exhibit 4; Exhibit 5.)

- 3) The appellant spent \$9,000 on pre-paid funeral arrangements, and \$1,500 to cover the cost of her burial. (Exhibit 4; Exhibit 5.)
- 4) The appellant wrote 3 large checks to an individual in the year before she entered the nursing facility. These three checks totaled \$18,773. These checks were never verified, and the parties agreed that these checks should be treated as disqualifying transfers. (Exhibit 5; testimony by MassHealth's representative and the appellant's representative.)
- 5) The appellant requests that long-term care benefits start as of July 13, 2025. (Exhibit 5.)
- 6) MassHealth calculated the Haley calculation and the disqualifying transfer period by using \$441 per day as the cost for nursing facility care. (Testimony by MassHealth's representative; Exhibit 4.)
- 7) The private pay rate at the nursing facility was \$435. (Exhibit 5, p. 4.)
- 8) The appellant did not reduce her assets below \$2,000 until after February 2025. (Exhibit 5, p. 8.)

Analysis and Conclusions of Law

An individual applying for MassHealth long-term care benefits must have countable assets below \$2,000. (130 CMR 520.003(A).) If an applicant has assets above this threshold, their earliest eligibility start date is either:

(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.

(130 CMR 520.004(A)(1).) These alternative dates are referred to as the asset-eligibility date and the "Haley" calculation date.¹

Assets may be reduced retroactively through funeral and burial expenses in accordance with 130 CMR 520.008(F). Money used to make funeral or burial arrangements is treated as having been spent "on the first day of the third month before the application." Effectively, this excludes assets from countability under 130 CMR 520.004 if they are used to fund funeral or burial arrangements.

¹ The "Haley" calculation is a reference to the Supreme Judicial Court decision, Haley v. Comm'r of Pub. Welfare, 394 Mass. 466 (1985).

(See 130 CMR 516.002.) Unlike funeral arrangement, asset reduction through the Haley calculation can only go back to the date on which covered medical services were incurred. Since coverage can start as of the first day of the third month before the application, the Haley calculation always moves forward the earliest date of eligibility.

Furthermore, the transfer of resource provisions allow MassHealth to see whether an applicant has given away assets within the previous five years in order to qualify. (See 130 CMR 520.018, 520.019.) If a disqualifying transfer is found, MassHealth “adds the value of all the resources transferred during the look-back period and divides the total by the average monthly cost to a private patient receiving long-term-care services in the Commonwealth of Massachusetts at the time of application” (130 CMR 520.019(G)(i).)

In this case, the appellant applied for MassHealth in July 2024. The appellant had \$40,093 in assets at that time. The appellant paid \$10,500 toward funeral arrangements, which are effectively ignored for asset calculation purposes. The appellant also privately paid for her care through [REDACTED] with \$18,270. After the appellant’s asset allowance of \$2,000 is excluded, the appellant’s remaining assets are \$9,323. The appellant did not reduce her assets below the asset limit until February 2025 at the earliest. The appellant concedes that no other asset reduction was entitled to a retroactive effect. Therefore, the earliest long-term care benefits can start is date on which her medical expenses would have exceeded her excess assets. The only evidence regarding medical expenses incurred is the fact that she was residing in a nursing facility. The private pay rate at the nursing facility was \$435, which means the appellant’s medical expenses would have exceeded \$9,323 on the 22nd day after MassHealth coverage was requested, August 4, 2024.²

This date is the starting point for imposing a period of ineligibility arising from a disqualifying transfer. (See 130 CMR 520.019(G)(3).) The appellant concedes that the checks totaling \$18,773 constituted disqualifying transfers under 130 CMR 520.018 and 520.019. MassHealth’s representative testified that they imposed the period of ineligibility based upon an average daily nursing home rate of \$441. However, the applicable average daily rate for applications filed prior to November 1, 2024, is \$433 per day. (EOM 24-07 (Nov. 2024).) This results in a 44-day period of ineligibility. (See 130 CMR 519.017(G)(2)(d) (MassHealth may not round down periods of ineligibility).) This is one day longer than MassHealth originally imposed. Therefore, the actual benefits start date is September 17, 2024. This matter is DENIED to the extent that the appellant sought to reduce the period of ineligibility because the appellant submitted no evidence to challenge that determination. This appeal is REMANDED to MassHealth to redetermine the start date in accordance with this decision and applicable law, using the average daily rate of \$433 per day for applications filed before November 1, 2024.

² Because MassHealth rounds up fractional days of payment, the starting date for the Haley calculation is the same as using \$441 as the private pay rate (21.1 or 21.4).

Order for MassHealth

Recalculate the appellant's period of ineligibility arising from the disqualifying transfer using \$433 to be the average daily rate for nursing facility applications filed before November 1, 2024. Approve long-term care benefits as of September 17, 2024.

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.

Christopher Jones
Hearing Officer
Board of Hearings

cc:

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