

**Office of Medicaid
BOARD OF HEARINGS**

Appellant Name and Address:

[REDACTED]

Appeal Decision:	Approved	Appeal Number:	2513132
Decision Date:	11/07/2025	Hearing Date:	10/07/2025
Hearing Officer:	Thomas J. Goode	Record Open to:	10/10/2025

Appearances for Appellant:

[REDACTED]


Appearances for MassHealth:

Sean Brescia, Tewksbury MEC
Meghan Adie, Tewksbury 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:	Long Term Care- Patient Paid Amount
Decision Date:	11/7/2025	Hearing Date:	10/07/2025
MassHealth's Reps.:	Sean Brescia, Meghan Adie	Appellant's Reps.:	
Hearing Location:	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 August 27, 2025, MassHealth notified Appellant of a change in the patient paid amount from \$18.20 to \$203.20 effective September 1, 2025 (130 CMR 520.026 and Exhibit 1). Appellant filed this appeal in a timely manner on September 9, 2025 (130 CMR 610.015(B) and Exhibit 2). Notice of a change in the patient paid amount due is valid grounds for appeal (130 CMR 610.032). The hearing record remained open until October 10, 2025 (Exhibit 5).

Action Taken by MassHealth

MassHealth notified Appellant of a change in the patient paid amount from \$18.20 to \$203.20 effective September 1, 2025.

Issue

The appeal issue is whether, pursuant to 130 CMR 520.026, MassHealth correctly calculated Appellant's patient paid amount due.

Summary of Evidence

The MassHealth representative testified that Appellant is under 65 years of age and was admitted to a skilled nursing facility on [REDACTED]. The MassHealth representative testified that the prior patient paid amount (PPA) was \$18.20 calculated at the time of admission, and that effective September 1, 2025 the PPA increased to \$203.20. MassHealth testified that the change in PPA occurred because a systems error was corrected to apply Appellant's gross Social Security income rather than her net Social Security income. Appellant receives monthly Social Security income totaling \$2,248 per month. Prior to September 1, 2025, Appellant's income was incorrectly reduced by the \$185 Medicare part B premium which is paid by MassHealth to arrive at the \$18.20 PPA. Applying Appellant's gross income resulted in a PPA of \$203.20. Appellant's spouse resides in the community. MassHealth deducted from Appellant's gross income a spousal maintenance needs allowance (SMNA) of \$1,972, and a personal needs allowance of \$72.80. The community spouse receives \$1,976 gross Social Security income and pays \$1,600 monthly rent. During a record open period, MassHealth submitted calculations for the SMNA which show a \$914 heat and utilities allowance, which added to \$1,600 rental expense equals \$2,514 total shelter expense, and was reduced by a \$793.13 standard shelter expense. The minimum federal standard maintenance allowance (FSMA) of \$2,643.75 was added to calculate an actual MMMNA of \$4,364.63. See Exhibit 6.¹ MassHealth also noted that there are no other health insurance expenses on file for the institutionalized spouse (Exhibit 6). MassHealth calculated the maximum allowable minimum monthly maintenance needs allowance (MMMNA) of \$3,948 for the community spouse. After deducting a \$72.80 personal needs allowance (PNA) and a \$1,972 SMNA from Appellant's \$2,248 gross Social Security Income, a \$203.20 PPA was calculated by MassHealth.

Appellant verified that MassHealth records correctly reflect her and her spouse's income. Appellant testified that she had been admitted to the nursing facility twice prior to the current admission, following an accident a year ago. Her most recent admission to the nursing facility was on [REDACTED]. She testified that her spouse's Social Security is reduced by \$185 per month for the Medicare part B premium, and with their remaining income they cannot pay rent or utility bills. She also testified that the community spouse pays a \$46 premium for MassHealth coverage to cover both him and her. Appellant argued that the allowance for the community spouse should be increased to offset the \$185 Medicare Part B premium deducted from his Social Security check. She added that when the PPA was \$18.20, they couldn't pay their bills, and with the increased PPA it will be harder to pay bills. Appellant testified that \$185 has been deducted from her Social Security check since she was admitted to the facility, and that increasing the PPA by the cost of the Medicare Part B Premium is just billing her for the Medicare premium amount in the PPA. During a record open period, Appellant reported that her spouse does not have any unpaid medical expenses (Exhibit 7).

MassHealth testified that Appellant will be reimbursed for past Medicare part B premiums that were deducted from her Social Security income, but it can take 3 to 6 months for the payment to

¹ The standard allowances are available by searching on Mass.gov for program financial guidelines for certain MassHealth applicants and members.

process. He added that Appellant's spouse is receiving CommonHealth coverage in the community and is not eligible for a Medicare Savings Program due to his income. In its PPA calculation submitted during the hearing record open period, MassHealth also determined that there are no other health insurance premiums on file for the institutionalized spouse (Exhibit 6).

Findings of Fact

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

1. Appellant is under 65 years of age.
2. Appellant was admitted to a skilled nursing facility on [REDACTED] and is approved for long-term care benefits.
3. Through a notice dated August 27, 2025, MassHealth notified Appellant of a change in the patient paid amount from \$18.20 to \$203.20 effective September 1, 2025.
4. Appellant receives gross Social Security income totaling \$2,248 per month.
5. Appellant's spouse resides in the community.
6. MassHealth deducted from Appellant's gross income a spousal maintenance needs allowance of \$1,972, and a personal needs allowance of \$72.80.
7. The community spouse receives \$1,976 gross Social Security income and pays \$1,600 monthly rent.
8. For the spousal maintenance needs allowance (SMNA) MassHealth calculated a \$914 heat and utilities allowance, which added to \$1,600 rental expense equals \$2,514 total shelter expense, and was reduced by a \$793.13 standard shelter expense. The minimum federal standard maintenance allowance of \$2,643.75 was added to calculate an actual MMMNA of \$4,364.63.
9. The maximum allowable minimum monthly maintenance needs allowance (MMMNA) of \$3,948 was applied.
10. There are no other health insurance premiums on file for the institutionalized spouse.

Analysis and Conclusions of Law

The Patient Paid Amount is the amount that a member in a long-term-care facility must

contribute to the cost of care under the laws of the Commonwealth of Massachusetts (130 CMR 515.001).

130 CMR 520.009: Countable-income Amount

(A) Overview.

(1) An individual's and the spouse's gross earned and unearned income less certain business expenses and standard income deductions is referred to as the countable-income amount. In determining gross monthly income, the MassHealth agency multiplies the average weekly income by 4.333 unless the income is monthly.

(2) For community residents, the countable-income amount is compared to the applicable income standard to determine the individual's financial eligibility.

(3) For institutionalized individuals, specific deductions described in 130 CMR 520.026 are applied against the individual's countable-income amount to determine the patient-paid amount.

(4) The types of income that are considered in the determination of eligibility are described in 130 CMR 520.009, 520.018, 520.019, and 520.021 through 520.024. These include income to which the applicant, member, or spouse would be entitled whether or not actually received when failure to receive such income results from the action or inaction of the applicant, member, spouse, or person acting on his or her behalf. In determining whether or not failure to receive such income is reasonably considered to result from such action or inaction, the MassHealth agency will consider the specific circumstances involved.

Regulation 130 CMR 520.026 (A)-(E) outlines long-term care general income deductions that apply in the calculation of the Patient Paid Amount, which are limited to a Personal-Needs Allowance; Spousal-Maintenance Needs Deduction; Deductions for Family-Maintenance Needs; Deductions for the Maintenance of a Former Home, which only applies to single individuals with no eligible dependents in the home, who are admitted to a skilled nursing facility on a short-term basis only, and are expected to return home within 6 months; and Deductions for Health-Care Coverage for current health-insurance premiums or membership costs when payments are made directly to an insurer or a managed-care organization.

Pursuant to 130 CMR 520.026 (B) Spousal-maintenance-needs-deduction: If the community spouse's gross income is less than the amount he or she needs to live in the community (minimum-monthly-maintenance-needs allowance, MMMNA) as determined by the MassHealth agency, the MassHealth agency may deduct an amount from the institutionalized spouse's countable-income amount to meet this need. This amount is the spousal-

maintenance-needs deduction. 130 CMR 520.026(B) applies to the first month of eligibility in an institution and terminates the first full calendar month in which the spouse is no longer in an institution or no longer has a spouse in the community. This deduction is the amount by which the minimum-monthly-maintenance-needs allowance exceeds the community spouse's gross income.

(1) The MassHealth agency determines the MMMNA by adding the following amounts²:

- (a) \$2,643.75 (the federal standard maintenance allowance); and
- (b) an excess shelter allowance determined by calculating the difference between the standard shelter expense and the shelter expenses for the community spouse's principal residence, including
 - 1. the actual expenses for rent, mortgage (including interest and principal), property taxes and insurance, and any required maintenance charge for a condominium or cooperative; and
 - 2. the applicable standard deduction under the Supplemental Nutrition Assistance Program for utility expenses. If heat is included in the rent or condominium fee, this amount is \$557. If heat is not included in the rent or condominium fee, this amount is \$914.

(2) The maximum-monthly-maintenance-needs allowance is \$3,948 per month, unless it has been increased as the result of a fair-hearing decision based on exceptional circumstances in accordance with 130 CMR 520.017(D).

(3) If the institutionalized individual is subject to a court order for the support of the community spouse, the court-ordered amount of support must be used as the spousal-maintenance-needs deduction when it exceeds the spousal-maintenance-needs deduction calculated according to 130 CMR 520.026(B) or resulting from a fair hearing.

Appellant's spouse resides in the community and receives \$1,976 gross Social Security income and pays \$1,600 monthly rent. For the spousal maintenance needs allowance (SMNA) MassHealth correctly calculated a \$914 heat and utilities allowance, which added to \$1,600 rental expense equals \$2,514 total shelter expense, and was reduced by a \$793.13 standard shelter expense. The minimum federal standard maintenance allowance of \$2,643.75 was added to calculate an actual MMMNA of \$4,364.63. The maximum allowable minimum monthly maintenance needs allowance (MMMNA) of \$3,948 was applied. Appellant has not shown that exceptional circumstances exist arising from the medical condition, frailty, or similar special needs of the community spouse such as extraordinary uncovered medical expenses.³ Therefore, the maximum \$3,948 MMMNA,

² See fn.1. The current standard allowances are included here.

³ See 130 CMR 520.017(D)(1): (D) Adjustment to the Minimum-monthly-maintenance-needs Allowance Due to Exceptional Circumstances. After the institutionalized spouse has received notice of either approval or denial for MassHealth Standard, either spouse may appeal to the Office of Medicaid Board of Hearings the calculation of income available to the community spouse and request an increase in the MMMNA, based on exceptional circumstances, as defined in 130 CMR 520.017(D)(1).

and the \$1,972 SMNA (\$3,948 MMMNA - \$1,976 community spouse's income = \$1,972 SMNA) are correctly calculated.

Through the notice dated August 27, 2025, MassHealth notified Appellant of a change in the patient paid amount from \$18.20 to \$203.20 effective September 1, 2025. MassHealth testified that Appellant's PPA calculation from April 2025 until September 1, 2025 was erroneously based on her net Social Security income reduced by \$185 for the Medicare Part B premium, for which Appellant will be reimbursed through Senior Buy In.⁴ As an institutionalized person eligible for Senior Buy In, Appellant would not be eligible for any other benefit except Senior Buy In benefits and reimbursement for the Medicare Part B premium.⁵ However, as an institutionalized individual under 65 years of age approved for MassHealth long-term care coverage with a patient paid amount calculated by MassHealth, it can be deduced that Appellant, who testified that she is also disabled, is receiving MassHealth Standard because MassHealth has applied long-term care general income deductions and calculated a PPA.⁶ MassHealth based the revised \$203.20 PPA

(1) Exceptional Circumstances. Exceptional circumstances exist when there are circumstances other than those already taken into account in establishing the maintenance standards for the community spouse under 130 CMR 520.026(B) and these circumstances result in significant financial duress. Since the federal standards used in calculating the MMMNA cover such necessities as food, shelter, clothing, and utilities, exceptional circumstances are limited to those necessities that arise from the medical condition, frailty, or similar special needs of the community spouse. Such necessities include, but are not limited to, special remedial and support services and extraordinary uncovered medical expenses. Such expenses generally do not include car payments, even if the car is used for transportation to medical appointments, or home-maintenance expenses such as security systems and lawn care.

⁴ Medicaid Management Information Systems (MMIS) shows that Appellant is receiving Senior Buy In benefits. See Exhibit 8.

⁵ See 130 CMR 450.015(C) MassHealth Buy-In (1) For a MassHealth Buy-In member who is 65 years of age or older **or is institutionalized** (see 130 CMR 519.011: *MassHealth Buy-In*), the MassHealth agency pays all of the member's Medicare Part B premium. **The MassHealth agency does not pay for any other benefit for these members.**

⁶ 519.006: Long-term-care Residents

(A) Eligibility Requirements. Institutionalized individuals may establish eligibility for MassHealth Standard coverage subject to the following requirements. They must

(1) be younger than 21 years old or 65 years of age or older or, for individuals 21 through 64 years of age meet Title XVI disability standards or be pregnant;

(2) be determined medically eligible for nursing facility services by the MassHealth agency or its agent as a condition for payment, in accordance with 130 CMR 456.000: *Long Term Care Services*;

(3) contribute to the cost of care as defined at 130 CMR 520.026: *Long-term-care General Income Deductions*;

(4) have countable assets of \$2,000 or less for an individual and, for married couples where one member of the couple is institutionalized, have assets that are less than or equal to the standards at 130 CMR 520.016(B): *Treatment of a Married Couple's Assets When One Spouse Is Institutionalized*; and

(5) not have transferred resources for less than fair market value, as described at 130 CMR 520.018: *Transfer of Resources Regardless of Date of Transfer* and 520.019: *Transfer of Resources Occurring on or after August 11, 1993*.

effective September 1, 2025 on Appellant's \$2,248 gross Social Security income and subtracted a \$72.80 PNA and \$1,972 SMNA; however, MassHealth did not allow a deduction for the Medicare Part B premium arguing that the premium will purportedly be paid by MassHealth. Here, the PPA is incorrectly premised on MassHealth's assertion that Appellant will continue to receive reimbursement for the \$185 part B premium while institutionalized, and MassHealth's omission of the deduction for the Medicare part B premium paid directly by Appellant from her Social Security income. See 130 CMR 520.026(E). Pursuant to 130 CMR 520.026 (A)-(E), the correct PPA effective September 1, 2025 is calculated to include \$2,248 gross Social Security income, reduced by \$72.80 PNA, \$1,972 SMNA and \$185 Medicare Part B premium paid directly by Appellant = \$18.20.⁷

The appeal is APPROVED.

Order for MassHealth

Rescind the notice dated August 27, 2025 notice, and reduce Appellant's Patient Paid Amount to \$18.20 effective September 1, 2025.

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.

⁷ The community spouse's eligibility for a Medicare Savings Program is outside the scope of this appeal. Further, Appellant's assertion that she pays \$46 as a MassHealth premium for her community coverage would not apply while Appellant is institutionalized.

Thomas J. Goode
Hearing Officer
Board of Hearings



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