

Office of Medicaid BOARD OF HEARINGS

Appellant Name and Address:



Appeal Decision:	Denied	Appeal Number:	2514732
Decision Date:	11/17/2025	Hearing Date:	11/07/2025
Hearing Officer:	Mariah Burns		

Appearances for Appellant:



Appearance for MassHealth:

Kelly Souza, Taunton MassHealth Enrollment Center



*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:	Long-Term Care Eligibility; Over 65; Assets
Decision Date:	11/17/2025	Hearing Date:	11/07/2025
MassHealth's Rep.:	Kelly Souza	Appellant's Reps.:	[REDACTED]
Hearing Location:	Telephone (Taunton)	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 October 1, 2025, MassHealth denied the appellant's application for MassHealth long-term care benefits, finding that he made a disqualifying transfer of assets and imposing a period of ineligibility from July 1, 2025, to April 13, 2026. *See* 130 CMR 520.019(G) and Exhibit 1. The appellant filed this appeal in a timely manner on October 29, 2025. *See* 130 CMR 610.015(B) and Exhibit 2. Denial of assistance is valid grounds for appeal. *See* 130 CMR 610.032.

Action Taken by MassHealth

MassHealth determined that the appellant made a disqualifying transfer of assets, resulting in a lengthy period of ineligibility for long-term care benefits.

Issue

The appeal issue is whether MassHealth correctly determined that the appellant's transactions in question constituted a disqualifying transfer of assets.

Summary of Evidence

The appellant is an adult over the age of 65 who currently resides in a skilled nursing facility. He was represented at the hearing by his court-appointed conservator and a worker from the facility in which he resides. MassHealth was represented at hearing by a worker from the Taunton MassHealth Enrollment Center. The following is a summary of the testimony and evidence provided at the hearing.

The appellant has resided in the skilled nursing facility since [REDACTED] 2023 and previously received MassHealth long-term care benefits to cover the cost of his stay in the facility. On [REDACTED] 2024, the appellant sold his home and received \$126,225.82 in proceeds from the sale. MassHealth was alerted to the sale of the home and sought information related to the disbursement of those proceeds. When that information was not provided, MassHealth issued a notice denying the appellant's renewal application for benefits on August 11, 2025. On October 1, 2025, the appellant provided an American Land Title Association (ALTA) statement showing that the property was sold and the proceeds disbursed to the appellant. However, MassHealth verified that the funds were not in the appellant's bank account, and therefore treated the funds as a disqualifying transfer of assets rather than a countable, owned asset. In calculating the period of ineligibility based on that disqualifying transfer, MassHealth divided the proceeds of \$126,225.82 by the 2025 average daily nursing home rate of \$441.00.¹ This led to a 287-day period of ineligibility for MassHealth benefits from July 1, 2025, to April 13, 2026. MassHealth issued a second notice, denying the appellant's application for long-term care benefits during that period of ineligibility.

The appellant's conservator agreed with MassHealth's calculation of the appellant's proceeds from the sale of his home and with the calculation of the period of ineligibility. He testified that, based on the information he was able to uncover, the appellant gave the proceeds from the sale of his home to his two children as their inheritance. He did not dispute any of the relevant facts as they were presented by the MassHealth representative.

Findings of Fact

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

1. The appellant is an adult over the age of 65 who has resided in a skilled nursing facility since [REDACTED] of 2023 and previously received MassHealth long-term care benefits. Testimony, Exhibit 4.
2. On [REDACTED] 2024, the appellant sold his home and received \$126,225.82 in proceeds from

¹ See also, MassHealth Eligibility Operations Memo 25-16, "Average Daily Cost of Nursing Facility Services for Calculating a Period of Ineligibility," October, 2025.

that sale. Exhibit 5. The appellant gifted the entirety of those proceeds to his two children, divided evenly between them. Testimony.

3. MassHealth determined the gift of the proceeds from the sale of the appellant's home to be a disqualifying transfer of assets. MassHealth calculated a period of ineligibility for long-term care benefits of 287 days from July 1, 2025, to April 13, 2026, and denied his renewal application for benefits on October 1, 2025. Exhibit 1.

4. The appellant filed a timely request for fair hearing on October 9, 2025. Exhibit 2.

Analysis and Conclusions of Law

MassHealth administers and is responsible for delivery of healthcare benefits to MassHealth members. See 130 CMR 515.002. Eligibility for MassHealth benefits differs depending on an applicant's age. 130 CMR 515.000 through 522.000 (referred to as Volume II) provide the requirements for non-institutionalized persons aged 65 or older, institutionalized persons of any age, persons who would be institutionalized without community-based services, and certain Medicare beneficiaries. 130 CMR 515.002(B). As the appellant is over 65 years old and an institutionalized person, he is subject to the requirements of the provisions of Volume II. 130 CMR 515.002.

Long-term care residents are eligible for MassHealth Standard coverage if they meet the following requirements:

- (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.

130 CMR 519.006(A). Applicants who are over the asset limit at the time of their application have an opportunity to show a reduction of assets to the allowable limit to establish eligibility. See generally 130 CMR 520.004. In such instances, “MassHealth...requires the applicant to verify that...[their] excess assets were reduced to the allowable asset limit within the required timeframes.” *Id.* at 520.004(D). This reduction of assets is colloquially known as a “spenddown.” An applicant “whose countable assets exceed the asset limit of MassHealth Standard...may be eligible for MassHealth...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).”

To determine whether any transfer of resources violates 130 CMR 520.019, MassHealth regulations subject all transfers to a look-back period, which, for this case, would be a period of 60 months “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). If, during that 60-month look-back period, the applicant or their spouse has made a transfer for less than fair market value (FMV), the applicant, even if “otherwise eligible,” may be subject to a period of disqualification in accordance with MassHealth’s transfer rules at 130 CMR §§520.018 520.019. A period of ineligibility may also be imposed if the applicant or their spouse took any action “to avoid receiving a resource to which the resident or spouse would be entitled if such action had not been taken.” 130 CMR 520.019(C). If it is determined that a resident or spouse made a disqualifying transfer of resources, MassHealth will calculate a period of ineligibility in accordance with the methodology described in 130 CMR 520.019(G)². The transfer provisions have several exceptions to the general rule governing disposition of assets, which are detailed in § 520.019(D) (permissible transfers), § 520.019(K) (exempted transfers), and § 520.019(F) (exemptions based on intent). See 130 CMR 520.019(C)³.

MassHealth’s “strict limitations on asset transfers,” which were adopted pursuant to federal law, are intended to “prevent individuals from giving away their assets to their family and friends and forcing the government to pay for the cost of nursing home care.” See *Gauthier v. Director of the Office of Medicaid*, 80 Mass. App. Ct. 777, 779 (2011) (citing *Andrews v. Division of Medical Assistance*, 68 Mass. App. Ct. 228, 229 (2007)). An appellant further bears the burden of proof at fair hearings “to demonstrate the invalidity of the administrative determination.” *Andrews*, 68 Mass. App. Ct. at 231. The fair hearing decision, established by a preponderance of evidence, is based upon “evidence, testimony, materials, and legal rules, presented at hearing, including the

² “The number of months in the period of ineligibility is equal to the total, cumulative, uncompensated value as defined in 130 CMR 515.001: *Definition of Terms* of all resources transferred by the nursing-facility resident or the spouse, divided by the average monthly cost to a private patient receiving nursing-facility services in the Commonwealth of Massachusetts at the time of application, as determined by the MassHealth agency.” 130 CMR 520.019(G)(1).

³ Appellant’s representatives did not argue that that the transfer was either “permissible” under 130 CMR 520.019(D) or “exempted” under 130 CMR 520.019(J), nor was any evidence presented to suggest these exceptions would apply to the transfer at issue.

MassHealth agency's interpretation of its rules, policies and regulations." 130 CMR 610.082(A).

In this case, the appellant does not dispute that he received \$126,225.82 from the sale of his home, nor that he gave those proceeds to his two children as their inheritance. Although the appellant's representative testified that there is no indication that the home was not sold for less than fair market value, the sale of the home is not the disqualifying transfer here. Instead, it is the appellant's decision to give the proceeds from that sale to his children without receiving anything in return. That this was done as a gift is incontrovertible evidence that the proceeds were not given in exchange for anything of similar value, and it is exactly the kind of transaction contemplated in *Gauthier*. As such, I find the appellant's gift of \$126,225.82 to be in clear violation of 130 CMR 520.019, and I find no error in MassHealth's imposition of a period of ineligibility based on this disqualifying transfer of assets. Furthermore, as the appellant does not contest MassHealth's calculation of the period of ineligibility, I find that the October 1, 2025, notice deeming the appellant ineligible for MassHealth long-term care benefits from July 1, 2025, to April 13, 2026, to have been properly issued.

For the foregoing reasons, the appeal is hereby 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.

Mariah Burns
Hearing Officer
Board of Hearings

[REDACTED]

[REDACTED]

cc: MassHealth Representative: Justine Ferreira, Taunton MassHealth Enrollment Center