

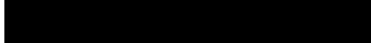
**Office of Medicaid
BOARD OF HEARINGS**

Appellant Name and Address:



| | | | |
|-------------------------|--------------|-----------------------|------------|
| Appeal Decision: | Denied | Appeal Number: | 2516062 |
| Decision Date: | 2/25/2026 | Hearing Date: | 01/16/2026 |
| Hearing Officer: | Mariah Burns | | |

Appearances for Appellant:



Appearance for MassHealth:

Michael Richelson, Tewksbury 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: | Over 65; Long-Term Care; Patient-Paid Amount |
| Decision Date: | 2/25/2026 | Hearing Date: | 01/16/2026 |
| MassHealth's Rep.: | Michael Richelson | Appellant's Reps.: | [REDACTED] |
| Hearing Location: | Telephone (Tewksbury) | 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 September 26, 2025, MassHealth updated the appellant's monthly Patient-Paid Amount (PPA) from \$3,743.92 to \$3,842.82 beginning on October 1, 2025. *See* 130 CMR 520.026 and Exhibit 1. The appellant filed this appeal in a timely manner on October 31, 2025. *See* 130 CMR 610.015(B) and Exhibit 2. Agency determinations regarding scope and amount of assistance are valid grounds for appeal. *See* 130 CMR 610.032.

Action Taken by MassHealth

MassHealth calculated an updated monthly PPA for the appellant to pay to the nursing facility.

Issue

The appeal issue is whether MassHealth correctly calculated the appellant's PPA.

Summary of Evidence

The appellant is an adult over the age of 65 who is currently receiving MassHealth Standard long-term care benefits and currently resides in a skilled nursing facility. She was represented at the hearing by her daughter and a worker from the facility in which she resides. MassHealth was represented by a worker from the Tewksbury MassHealth Enrollment Center. All parties appeared by telephone. The following is a summary of the testimony and evidence provided at the hearing:

On or about September 26, 2025, MassHealth received information indicating that the appellant's Social Security income would be increasing for 2026, leading MassHealth to recalculate the appellant's Patient-Paid Amount (PPA). In making that calculation, MassHealth considered the appellant's gross monthly Social Security benefit of \$1,009.00 (the amount before the appellant's 2026 cost-of-living adjustment, or COLA) and her monthly pension payment of \$3,468.90, the combined total of which is \$4,477.90. MassHealth then deducted the standard Personal Needs Allowance of \$72.80, the appellant's monthly Medicare premium of \$185.00, and the appellant's monthly premium for other health insurance of \$377.28, leading to a combined total monthly deduction of \$635.08. When subtracting the deductions from the appellant's countable gross monthly income, this leaves a total PPA of \$3,842.82.

The appellant, through her representative, agreed with the calculation of her monthly pension payment and did not dispute the premium calculations for her other sources of health insurance. Instead, she argues that she has \$100.20 in taxes deducted from her Social Security payments, and that those taxes have not been counted toward her PPA in the past. She introduced her 2026 Social Security COLA adjustment, which shows that she has a "voluntary federal tax withholding" of \$100.20 deducted from her Social Security. Exhibit 5. The appellant argues that she cannot pay money that she does not receive toward a PPA.

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 resides in a skilled nursing facility and is currently receiving MassHealth Standard long-term care benefits. Testimony, Exhibit 1, Exhibit 4.
2. Through a notice dated September 26, 2025, MassHealth increased the appellant's Patient-Paid Amount (PPA) from \$3,743.92 to \$3,842.82, effective October 1, 2025. Testimony, Exhibit 1.
3. The appellant filed a timely request for fair hearing on October 31, 2025. Exhibit 2.
4. Before a 2026 Cost-of-Living Adjustment, the appellant received \$1,009.00 in gross monthly Social Security benefits. Testimony, Exhibit 1. She receives a monthly pension payment of

\$3,842.82. *Id.*

5. The appellant pays a combined total of \$562.28 in monthly Medicare and other health insurance premiums. Testimony, Exhibit 1.

6. The appellant has a voluntary tax withholding of \$100.20 deducted from her Social Security payments each month. Exhibit 5.

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, she is subject to the requirements of the provisions of Volume II. 130 CMR 515.002.

Long-term care residents over the age of 65 may establish eligibility for MassHealth Standard coverage of their care if they meet the following requirements:

- (1) be younger than 21 years old or 65 years of age or older...
- (2) be determined medically eligible for nursing facility services by the MassHealth agency or its agent as a condition for payment...
- (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
- (5) not have transferred resources for less than fair market value...

130 CMR 519.006(A) (emphasis added). That contribution to the cost of care is known as the Patient-Paid Amount (PPA). See 130 CMR 515.001. It is calculated by deducting certain costs listed at 130 CMR 520.026 from the member's monthly "gross earned and unearned income less certain business expenses and standard income deductions..." 130 CMR 520.009(A)(1) and (3). Countable unearned income includes, in relevant part, "social security benefits, railroad retirement benefits, pensions, annuities, federal veterans' benefits, rental income, interest, and dividend income." 130 CMR 520.009(D). A complete list of noncountable income is codified at 130 CMR 520.015 and includes, in relevant part, "(F) the amount of the increase due to a social security cost-of-living adjustment (COLA), if the amount of such increase can be verified, until the subsequent federal-poverty-level adjustment *for applicants and members who are community residents.*" Emphasis added.

The deductions MassHealth uses to calculate the PPA include the following:

- The standard Personal-needs Allowance of \$72.80. 130 CMR 520.026(A);
- The spousal-maintenance needs deduction if the member has a community spouse. *Id.* at 520.026(B);
- Deductions for family maintenance needs if the member has a minor child, a dependent child, a dependent parent, or a dependent sibling who resides with the community spouse. *Id.* at 520.026(C);
- Deductions for maintenance of a former home. *Id.* at 520.026(D);
- Deductions for Health-care Coverage and other incurred expenses, including guardianship fees. *Id.* at 520.026(E).

The regulations provide no other deductions to calculate a member's PPA.¹

The appellant contends that MassHealth incorrectly calculated her monthly PPA by failing to consider the \$100.20 she voluntarily withholds for taxes from her monthly Social Security payment. An appellant bears the burden of proof at fair hearings "to demonstrate the invalidity of the administrative determination." *Andrews v. Division of Medical Assistance*, 68 Mass. App. Ct. 228, 231 (2006). The fair hearing decision, established by a preponderance of evidence, is based upon "evidence, testimony, materials, and legal rules, presented at hearing, including the MassHealth agency's interpretation of its rules, policies and regulations." 130 CMR 610.085(A).

From the appellant's countable income of \$4,477.90, MassHealth deducted a \$72.80 mandatory personal needs allowance (PNA), \$185.00 for Medicare premiums, and \$377.28 for other health insurance costs, resulting in an updated monthly PPA of \$3,842.82. While the appellant opted to withhold a portion of her monthly Social Security benefit toward payment of federal taxes, there is no regulatory or legal authority that would permit MassHealth to deduct this amount from her PPA. Additionally, there is no evidence that the appellant qualifies for any additional long-term care general deductions, including a spousal maintenance needs allowance, family maintenance needs allowance, or home maintenance needs allowance. Because MassHealth appropriately applied all applicable long-term care general income deductions to the appellant's countable gross monthly income of \$4,477.90, I find no error with the appellant's updated PPA determination as reflected in the September 26, 2025, notice.

For the foregoing reasons, the appeal is hereby denied.²

¹ The regulations provide for certain long-term care earned-income deductions, which include FICA, federal and state income taxes, retirement and employment benefits, and union dues. See 130 CMR 520.014(A). However, those deductions do not apply to the appellant's case, as there is no evidence that she has any earned income.

² The PPA may again be updated as the appellant's COLA goes into effect for 2026.


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


cc: MassHealth Representative: Sylvia Tiar, Tewksbury MassHealth Enrollment Center