

**Office of Medicaid
BOARD OF HEARINGS**

Appellant Name and Address:



Appeal Decision:	Approved	Appeal Number:	2517030
Decision Date:	1/12/2026	Hearing Date:	12/15/2025
Hearing Officer:	Marc Tonaszuck	Record Open to:	01/02/2026

Appearance for Appellant:
Mother of Minor Appellant

Appearance for MassHealth:
Kathy Begin



*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:	Community Eligibility – Under 65 - Income
Decision Date:	1/12/2026	Hearing Date:	12/15/2025
MassHealth's Rep.:	Kathy Begin	Appellant's Rep.:	Mother of Minor Appellant
Hearing Location:	Tewksbury 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 10/25/2025, MassHealth informed the appellant, a minor child, through his mother, that he was eligible for the Children's Medical Security Plan (CMSP) with a monthly premium of \$64.00 (Exhibit 1). An appeal was filed by the appellant's mother in a timely manner on 11/17/2025 (130 CMR 610.015(B); Exhibit 2). A change in the level of assistance is valid grounds for appeal (130 CMR 610.032).

Action Taken by MassHealth

MassHealth approved the appellant for CMSP with a monthly premium of \$64.00, effective 07/12/2025.

Issue

The appeal issue is whether MassHealth was correct in determining that the appellant is not eligible for MassHealth Standard benefits or MassHealth Family Assistance benefits.

Summary of Evidence

The MassHealth representative testified that the appellant is a minor child who lives with his mother, the head of household and another sibling. They are counted as a family group of three people for the purposes of MassHealth eligibility. The mother reported income that puts the family at 449% of the Federal Poverty Level (as of 03/2025).

On 10/25/2025, MassHealth informed the appellant that it terminated his MassHealth Family Assistance benefits on 07/12/2025 and approved the appellant for Children's Medical Security Plan (CMSP) with a \$64.00 monthly premium. The MassHealth representative testified that children under 19 years of age can be eligible for MassHealth Standard benefits if the countable income is below 150% of the FPL (\$3,332.00 for a household of three). If the income is over 150%, but less than 300% of the FPL (between \$3,332.00 and \$4,442.00) a child can be eligible for CMSP. MassHealth used the regulations and calculated a monthly premium of \$64.00 based on the household's income and family size.

The appellant's mother appeared at the fair hearing and testified telephonically that she is appealing for her minor child, who needs MassHealth coverage to pay for his CPAP apparatus. She reported her income is less than 200% of the FPL, specifically it is \$4,334.00 per month.

Findings of Fact

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

1. The appellant is a minor child who lives with a sibling and his mother, who is head of household. He lives with his parents and one sibling under 19. For the purposes of MassHealth eligibility, the appellant is counted as a part of a family group of three people.
2. The appellant's family has countable gross monthly income that totals \$4,334.00.
3. 150% of the federal poverty level for a family group of three is \$3,332.00 (03/2025).
4. 200% of the federal poverty level for a family group of three is \$4,442.00 (03/2025).
5. The appellant has not been determined to be disabled by MassHealth or Social Security.

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.

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 as he is a minor child. 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 here that the household size is three, including the appellant, his mother and a sibling under 19 years of age. The income limit for MassHealth Standard for a child under 19 years of age is 150% of the federal poverty level which is determined by taking the modified adjusted gross income of the household (see 130 CMR 505.002(B)(2)). 150% of the federal poverty level for a household size of four is equal to \$3,332.00. Therefore, appellant's income has to be less than or equal to \$3,332.00 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's mother does not dispute the family's countable income is \$4,334.00 per month. I find that there is no evidence demonstrating that any portion of the income that the family receives falls under noncountable household income which is defined as:

- (A) TAFDC, EAEDC, or SSI income;
- (B) sheltered workshop earnings;
- (C) federal veteran benefits that are not taxable in accordance with IRS rules;
- (D) income-in-kind;
- (E) roomer and boarder income derived from persons residing in the applicant's or member's principal place of residence;
- (F) most workers' compensation income;
- (G) pretax contributions to salary reduction plans for payment of dependent care, transportation, and certain health expenses within allowable limits;
- (H) child support received;
- (I) taxable amounts received as a lump sum, except in the month received;

(130 CMR 506.004.)

Since appellant's monthly income of \$4,334.00 is greater than the income limit for MassHealth Standard (\$3,332.00), I find that MassHealth was correct in determining that appellant does not qualify for MassHealth Standard.

In order to establish eligibility for MassHealth Family Assistance, the family's income must not exceed 200% of the federal poverty level or \$4,442.00 for a family group of three (see 130 CMR 505.005(A)). Because the family's income of \$4,334.00 does not exceed 200% of the federal poverty level, the appellant is eligible for MassHealth Family Assistance benefits.

Regulations at 130 CMR 522.004 address the Children's Medical Security Plan (CMSP), as follows:

(A) Regulatory Authority. The Children's Medical Security Plan (CMSP) is administered pursuant to M.G.L. c. 118E, §10F.

(B) Overview. CMSP provides coverage to uninsured children younger than 19 years old who do not qualify for any other MassHealth coverage type, other than MassHealth Limited, *and who do not have physician and hospital health-care coverage*. To apply for these benefits, an applicant must submit an application as described in 130 CMR 502.001: *Application for Benefits* and 502.002: *Reactivating the Application*.

(C) Eligibility Requirements. Children are eligible for CMSP if they are

(1) a resident of Massachusetts, as defined in 130 CMR 503.002: *Residence Requirements*;

(2) younger than 19 years old;

(3) not otherwise eligible for any other MassHealth coverage type, other than MassHealth Limited. Children who are otherwise eligible and who are not receiving MassHealth coverage as a result of not complying with administrative requirements of MassHealth are not eligible for CMSP. Children who lose eligibility for MassHealth Family Assistance as a result of nonpayment of premiums or as a result of not enrolling in employer-sponsored health insurance through Premium Assistance are not eligible for CMSP; and

(4) *uninsured*. An applicant or member is uninsured if he or she

(a) *does not have insurance that provides physician and hospital health-care coverage*;

(b) *has insurance that is in an exclusion period*; or

(c) *had insurance that has expired or has been terminated*.

(Emphasis added.)

The evidence in the hearing record is that the household income is below 200% of the FPL. Based on this income calculation, MassHealth incorrectly determined that the household's income exceeds the limit for Family Assistance benefits. At hearing, the household's income was confirmed to be less than 200% of the federal poverty level. MassHealth incorrectly determined that the appellant was eligible for CMSP, when he should be determined eligible for Family Assistance benefits. Based on the testimony and the regulations, MassHealth incorrectly denied the appellant MassHealth Family Assistance benefits.

For the reasons above the appeal is Approved.

Order for MassHealth

Approve the appellant for MassHealth Family Assistance benefits, effective 07/12/2025.

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, Office of Medicaid, at the address on the first page of this decision.

Marc Tonaszuck
Hearing Officer
Board of Hearings

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