

**Office of Medicaid
BOARD OF HEARINGS**

Appellant Name and Address:



Appeal Decision:	Remanded	Appeal Number:	2517730
Decision Date:	02/26/2026	Hearing Date:	01/08/2026
Hearing Officer:	Marc Tonaszuck		

Appearance for Appellant:

Pro se

Appearances for MassHealth:

Eva Zoledziewski, MEC: Carmen Fabery,
Premium Billing Unit



*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:	Remanded	Issue:	Community Eligibility – Under 65 - Income
Decision Date:	02/26/2026	Hearing Date:	01/08/2026
MassHealth's Reps.:	Eva Zoledziewski, MEC: Carmen Fabery, Premium Billing Unit	Appellant's Rep.:	Pro se
Hearing Location:	Springfield MassHealth Enrollment Center (Virtual Hearing)	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 10/22/2025, MassHealth informed the appellant that it approved her application for MassHealth CommonHealth benefits with a monthly premium of \$62.40 starting on 11/01/2025 (130 CMR 506.011; Exhibit 1). The appellant filed a timely appeal on 12/01/2025 (130 CMR 610.015; Exhibit 2). Individual MassHealth agency determinations regarding scope and amount of assistance (including, but not limited to, level-of-care determinations) are valid grounds for appeal (130 CMR 610.032).

Action Taken by MassHealth

MassHealth approved the appellant's MassHealth CommonHealth benefits and calculated a monthly premium of \$62.40.

Issue

The issue is whether MassHealth is correct in determining that the appellant is eligible for MassHealth CommonHealth benefits and whether MassHealth correctly calculated the monthly premium of \$62.40.

Summary of Evidence

A MassHealth representative from the MassHealth Premium Billing Unit (PBU) and the MassHealth representative from the MassHealth Enrollment Center (MEC) testified virtually that on 06/17/2025, the appellant an adult resident in the community, who is between the ages of 20 and 65, was approved for MassHealth CommonHealth benefits as a disabled working adult. Her premium was calculated to be \$62.40 per month beginning in November 2025. The premium was based on the appellant's household size of one and the reported income of \$3,730.00 per month, that equals 271% of the federal poverty level (FPL). The MassHealth representative testified that the income limit for MassHealth Standard benefits as a disabled person is 133% of the FPL, or \$1,735.00 per month. Because the appellant's income exceeds 133% of the FPL, she was determined to be not eligible for MassHealth Standard benefits, but she was determined to be eligible for MassHealth CommonHealth benefits. The appellant's monthly premium was based on this income amount.

Since the 10/22/2026 eligibility determination, the appellant has updated her income several times. On 10/24/2025, the premium was reduced to \$57.20 per month. On 10/30/2025, the appellant again updated her income and the premium was reduced to \$41.60 per month. On 11/11/2025, the appellant again updated her income and the premium was reduced to \$18.00 per month. This premium was made retroactive to 07/01/2025.

The PBU representative testified that MassHealth has adjusted the appellant's monthly premium to be \$18.00 per month for December 2025 and January 2026; however, the appellant has a hardship waiver in place until 02/2026. She currently owes no balance for this premium.

The appellant appeared at the fair hearing virtually and she testified that MassHealth has incorrectly counted her income. In support of her argument, the appellant submitted her 2024 US1040 tax form with the schedules and attachments.

The appellant testified that she has the following income:

Unearned:

Social Security - \$7,279.00;

Alimony - \$26,976;

Earned:

Profit after business expenses: \$388.00.

Total Income: \$34,643.00.

She reported the following itemized deductions reported on Schedule A:

Medical/dental expenses: \$6,285.00;
Taxes: \$4,741.00;
Interest: \$16,161.00;
Gifts to Charity: \$6,346.00.

Total deductions: \$33,533.00.

Annual income after deductions: \$1,032.00 per year (\$34,643.00 - \$33,533.00).

The appellant argued that the MassHealth regulations concerning calculation of income allows for tax deductions taken in accordance with the Tax Cut and Jobs Act of 2017, Public Law 115-97, which are listed on Schedule A of the 2024 US1040. Once those deductions are taken, the appellant's income of \$1,032.00 per year is at a level where she qualifies for MassHealth Standard benefits (Exhibit 4).

When the hearing officer asked the appellant which deductions are allowed pursuant to the Tax Cut and Jobs Act of 2017, Public Law 115-97, she responded that it is the tax code and that the deductions are in the tax code. She did not otherwise cite to a specific section, page or paragraph of the tax code.

The MassHealth representative from the MassHealth Enrollment Center testified that MassHealth allows deductions from the income that are listed on Schedule E of the 2024 US1040. MassHealth does not allow income deductions on Schedule A of the tax form. The MassHealth representative provided no published guidance as to why the Schedule A deductions are not permitted by MassHealth.

Findings of Fact

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

1. The appellant is an adult who lives in the community and is between the ages of 20 and 65. The appellant has been determined to be disabled. She counted as a household of one person for the purposes of MassHealth eligibility (Testimony).
2. On 10/22/2025, the appellant was approved for MassHealth CommonHealth benefits as a disabled working adult with a \$62.40 per month premium beginning in November 2025.
3. The appellant's reported income is \$3,730.00 per month, which equals 271% of the federal

poverty level (FPL) for a household of one.

4. One hundred thirty-three percent of the FPL for a household of one is \$1,735.00 per month.
5. As of the hearing date, the appellant's benefits are active. She has no premium due.

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.

(Emphasis added.)

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 and CommonHealth as someone who has been determined to be disabled. 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 that the household size is one. At issue in this appeal is the appellant's income. MassHealth calculated the appellant's income to be \$3,730.00 per month. MassHealth approved the appellant for MassHealth CommonHealth benefits with a monthly premium.

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;
- (11) higher education tuition and fees; and
- (12) other deductions described in the Tax Cut and Jobs Act of 2017, Public Law 115-97 for as long as those deductions are in effect under federal law.**

(Emphasis added.)

The appellant asserts that MassHealth did not allow the deductions she made on Schedule A of her 2024 US1040. She argues that once the deductions of \$33,533.00 are made from her income (\$34,643.00), she has countable annual income totaling \$1,032.00, which would make her eligible for MassHealth Standard benefits.

MassHealth did not adequately explain why the income deductions the appellant made to her income are not allowed by MassHealth in an income calculation.

This matter is remanded to MassHealth to recalculate the appellant's income, including deductions, pursuant to section (12) of the above regulation regarding the Tax Cut and Jobs Act of 2017, Public

Law 115-97.

Order for MassHealth

Within 30 days from the date of this Fair Hearing Decision, recalculate the appellant's income considering section (12) of the above regulation, concerning Tax Cut and Jobs Act of 2017, Public Law 115-97. If no deductions are permitted by MassHealth, include a detailed description of why MassHealth did not allow those deductions. Issue a notice informing the appellant of the new determination and include appeal rights.

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.

Marc Tonaszuck
Hearing Officer
Board of Hearings

MassHealth Representative: Dori Mathieu, Springfield MassHealth Enrollment Center, 243 Cottage Street, Springfield, MA 01104

MassHealth Representative: Premium Billing Unit