



**Commonwealth of Massachusetts**  
**Executive Office of Health and Human Services**  
**Office of Medicaid**  
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MassHealth  
 Eligibility Letter 131  
 May 1, 2005

**TO:** MassHealth Staff

**FROM:** Beth Waldman, Medicaid Director *BW*

**RE:** **Breast and Cervical Cancer, MassHealth Essential, and Non-countable Income**

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MassHealth is making three clarifying revisions to regulations. MassHealth is changing the regulation at 130 CMR 504.002(F)(3). A sentence is being removed because nonqualified aliens eligible for MassHealth Standard based on 130 CMR 505.002(H) can only receive MassHealth Limited.

Revisions to 130 CMR 505.007(A)(1)(a) and (A)(2)(a) are being made to clarify that long-term unemployment is an eligibility requirement for MassHealth Essential.

The revisions to 130 CMR 506.004(C) and 520.015(E) specifically include, as non-countable income, the veteran's benefits that are based on need and are provided to resident veterans by municipalities.

These regulations are effective May 1, 2005.

**MANUAL UPKEEP**

<u>Insert</u>	<u>Remove</u>	<u>Trans. By</u>
504.002 (3 of 3)	504.002 (3 of 3)	E.L. 123
505.007 (1 of 4)	505.007 (1 of 4)	E.L. 123
505.007 (2 of 4)	505.007 (2 of 4)	E.L. 123
506.004	506.004	E.L. 51
520.014	520.014	E.L. 91



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- (a) They are currently unemployed and:
    - (i) have been unemployed for more than one year; or
    - (ii) during the past 12 months have earned less than the minimum amount of earnings necessary to qualify for unemployment compensation.
  - (b) They are not eligible for unemployment compensation.
  - (c) They have family group gross income less than or equal to 100 percent of the federal-poverty level.
  - (d) Their spouse is:
    - (i) not employed more than 100 hours a month; or
    - (ii) employed 100 hours or less a month, and not eligible for premium assistance payments that provide couple or family coverage in accordance with 130 CMR 505.005(C).
- (2) EAEDC Recipients. Individuals and members of couples who receive EAEDC cash assistance are eligible for premium assistance under MassHealth Basic if they have health insurance.
- (3) Eligibility Date. Once the MassHealth agency has determined eligibility, premium assistance payments begin in the calendar month following the verification of the member's health insurance information.
- (4) Extended Premium Assistance. Persons who are no longer eligible for premium assistance payments under MassHealth Basic due to earnings continue to have their premiums paid for a six-calendar-month period following their date of employment if they or their spouse are not otherwise eligible for premium assistance payments, in accordance with 130 CMR 505.005(C).

505.007: MassHealth Essential

(A) Overview. 130 CMR 505.007 contains the categorical requirements and financial standards for MassHealth Essential. This coverage type is available to individuals or members of a couple who are long-term unemployed and do not meet the eligibility criteria for MassHealth Basic, as described in 130 CMR 505.006. MassHealth Essential coverage is available either through the purchase of medical benefits or through premium assistance payments. MassHealth Essential benefits afforded to aliens with special status are described in 130 CMR 505.007(E).

(1) The Purchase of Medical Benefits under MassHealth Essential.

- (a) The purchase of medical benefits under MassHealth Essential is available to unemployed adults aged 19 through 64 who meet the following conditions:

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- (i) are long-term unemployed; and
- (ii) do not have, or have access to, health insurance, including health insurance offered by the college or university that they attend; or
- (iii) have health insurance that the MassHealth agency has determined does not cover the applicant's chronic medical condition requiring frequent treatment and medical services, or is of significant cost to the applicant.

(b) Persons eligible for the purchase of medical benefits are eligible for medical benefits, as described in 130 CMR 450.105(I) and 130 CMR 508.000.

(2) Premium Assistance under MassHealth Essential.

(a) Premium assistance under MassHealth Essential is available to unemployed adults aged 19 through 64 who are long-term unemployed and who have health insurance that:

- (i) the MassHealth agency has determined covers the applicant's chronic medical condition requiring frequent treatment and medical services and for which they must pay a premium;
- (ii) is not of significant cost to the applicant;
- (iii) is not available from the college or university that they attend; and
- (iv) meets the MassHealth agency's cost-effective analysis.

(b) Persons eligible for premium assistance payments are eligible for payment of part or all of their health insurance premium.

(B) The Purchase of Medical Benefits.

(1) Eligibility Requirements. Individuals and members of couples under age 65 are eligible for Essential coverage if they are uninsured, in accordance with 130 CMR 505.007(A)(1)(a), and meet all of the conditions in 130 CMR 505.007(B)(1)(a) through (e).

- (a) They are not eligible for MassHealth Basic.
- (b) They are currently unemployed and:
  - (i) have been unemployed for more than one year; or
  - (ii) during the past 12 months have earned less than the minimum amount of earnings necessary to qualify for unemployment compensation.
- (c) They are not eligible for unemployment compensation.
- (d) They have family group gross income less than or equal to 100 percent of the federal poverty level.

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506.004: Noncountable Income

The following types of income are noncountable in the determination of eligibility.

- (A) Income received by a TAFDC, EAEDC, or SSI recipient.
- (B) Sheltered workshop earnings.
- (C) The portion of federal veterans' benefits identified as aid and attendance benefits, unreimbursed medical expenses, housebound benefits, enhanced benefits, or veterans' benefits that are based on need and are provided by municipalities to resident veterans.
- (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) Any other income that is excluded by federal laws other than the Social Security Act.

506.005: Verification of Income

(A) Verification of gross monthly earned income is mandatory and shall include, but not be limited to, the following:

- (1) two recent paystubs;
- (2) a signed statement from the employer; or
- (3) the most recent U.S. Tax Return.

(B) Verification of gross monthly unearned income is mandatory and shall include, but not be limited to, the following:

- (1) a copy of a recent check or paystub showing gross income from the source;
- (2) a statement from the income source, where matching is not available; or
- (3) the most recent U.S. Tax Return.

(C) Verification of gross monthly income may also include any other reliable evidence of the applicant's or member's earned or unearned income.

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520.014: Long-Term-Care Earned-Income Deductions

(A) The following expenses may be deducted from the earnings of a long-term-care-facility resident:

- (1) a standard deduction of \$11; and
- (2) any of the following work-related expenses deducted from salary:
  - (a) social security taxes (FICA);
  - (b) federal and state income taxes;
  - (c) retirement and employee benefit plans;
  - (d) health or medical insurance premiums; and
  - (e) union dues.

(B) Deductions that may be used to determine the amount owed to the long-term-care facility (patient-paid amount) are described at 130 CMR 520.026.

520.015: Noncountable Income

The following types of income are not considered in determining the financial eligibility of the applicant or member:

- (A) the income of any individual who is a recipient of EAEDC or SSI;
- (B) the portion of the income that is disregarded:
  - (1) for disabled adult children according to 130 CMR 519.004; and
  - (2) under the Pickle Amendment according to 130 CMR 519.003;
- (C) income-in-kind;
- (D) money received from a loan secured by the equity in the home of an individual who is aged 60 or older (reverse mortgage);
- (E) veterans' aid and attendance benefits, unreimbursed medical expenses, housebound benefits, enhanced benefits (\$90 Veterans' Administration pension to long-term-care-facility residents, including veterans and their childless surviving spouses who live in a state veterans' home), or veterans' benefits that are based on need and are provided by municipalities to resident veterans;
- (F) social security cost-of-living adjustments until the subsequent federal-poverty-level adjustment for members who are community residents;