



STATE OF NEW YORK
DEPARTMENT OF HEALTH
P.O. Box 11729
Albany, NY 12211

Notice of Decision

Decision Date: July 3, 2014

NY State of Health Number: [REDACTED]
Appeal Identification Number: AP000000000566

[REDACTED]
[REDACTED]
[REDACTED]

Dear [REDACTED],

On May 14, 2014, you appeared by telephone at a hearing regarding your son's April 7, 2014 eligibility determination for insurance coverage through the NY State of Health Marketplace's.

The attached Decision, rendered after that hearing, is issued by the Appeals Unit of the NY State of Health.

If you have questions about your Decision, you can contact us by:

- Calling the Customer Service Center at 1-855-355-5777
- Sending Mail to:
NY State of Health Appeals
P.O. Box 11729
Albany, NY 12211
- Sending a Fax to 1-855-900-5557

When contacting the NY State of Health about your appeal and/or the Decision, please refer to the Appeal Identification Number at the top of this letter.

Legal Authority

We are sending you this notice in accordance with Federal regulation 45 CFR § 155.545(b).

If you need this information in a language other than English or you need assistance reading this notice, we can help you. Call 1-855-355-5777 (TTY - English: 1-800-662-1220) (TTY – Spanish: 1-877-662-4886).

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Decision

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NY State of Health Number: [REDACTED]
Appeal Identification Number: AP000000000566

[REDACTED]
[REDACTED]
[REDACTED]

Issue

The issue presented for review by the Appeals Unit of the NY State of Health is:

Did the Marketplace properly determine that as of April 7, 2014 an advance premium tax credit of \$0.00 per month is available to offset the cost of health insurance premiums for [REDACTED]?

Procedural History

The Marketplace received your application for health insurance on or about December 19, 2013.

On December 19, 2013, the Marketplace made a preliminary determination that your son, [REDACTED], was eligible for up to \$0.00 of advance premium tax credits (APTC) and eligible for cost-sharing reductions (CSR).

On April 7, 2014, you submitted updated information within your application to the Marketplace. That same day, the Marketplace made a preliminary redetermination that your son was still eligible for up to \$0.00 of APTC and for CSR.

On April 8, 2014, you spoke with the Marketplace's Customer Service unit and appealed that determination.

In determination notices issued on April 19, 2014 and April 26, 2014, the Marketplace stated that, based upon your household income of \$32,501.33, [REDACTED] was eligible to enroll in a qualified health plan (QHP) through the Marketplace, for up to \$0.00 monthly of APTC, and for CSR.

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On May 14, 2014, you had a telephone hearing with a Hearing Officer from the Marketplace's Appeals Unit and provided sworn testimony. The record was developed during the hearing and closed at the end of the hearing.

Findings of Fact

A review of the record supports the following findings of fact:

- 1) The Appellant, who is the account holder, resides with her son in Erie County (NYSOH Exhibit A, pg. 7; Testimony).
- 2) The Appellant expects to file a U.S. Income Tax return for the 2014 tax year, file as "single," and claim her 19-year-old son as her sole dependent. (NYSOH Exhibit A, pg. 7; Testimony).
- 3) As of April 7, 2014, the Appellant Marketplace application indicated a 2014 expected earned income of \$32,501.33. The Appellant testified that as of the hearing this expected income figure was still accurate (NYSOH Exhibit A, pg. 7; Testimony).
- 4) The Appellant's son is single and will not file a U.S. Income Tax return for the 2014 tax year (NYSOH Exhibit A, pg. 7; Testimony).
- 5) The Appellant's son is not expected to earn any income during the 2014 tax year as he is unemployed and is a full-time high school student (NYSOH Exhibit A, pgs. 10-11; Testimony).
- 6) The Appellant's son is the sole member of the household seeking insurance through the Marketplace (NYSOH Exhibit A, pgs. 6, 9; Testimony).

Conflicting evidence, if any, was considered and found to be less credible than the evidence noted above.

Applicable Law and Regulations

The maximum amount of APTC that can be authorized equals:

- the cost of the health insurance premium for the taxpayer's coverage family in the second lowest cost silver plan offered through the NY State of Health in the county where the taxpayer resides

minus

- the taxpayer's expected contribution amount (26 USC § 36B(d); 26 CFR § 1.36B-1(e)).

The taxpayer's expected contribution amount is the amount that the taxpayer is expected to spend on health insurance premiums. The expected contribution towards the cost of health insurance premiums is set by Federal regulation at 2% to 9.5% of income, depending on household's income. For household income in the range of at least 200% of the 2013 FPL but less than 250% of the 2013 FPL, the expected contribution is from 6.30% to 8.05% of the household income (26 CFR § 1.36B-3(g)(2)).

Legal Analysis

The only matter currently at issue is the amount of the advance premium tax credit (APTC) that has been approved.

You credibly testified during the hearing that your 2014 household income would be comparable to that of 2013. Therefore, the APTC amount is calculated on an anticipated 2014 income of \$32,501.33.

You and your son reside in Erie County where your son is currently a full-time student. Your application states that only your son is seeking health insurance through the Marketplace. The second lowest cost child-only plan that is available in Erie County through the Marketplace costs \$139.30 monthly.

Your expected income of \$32,501.33 equals 209.55% of the 2013 FPL for a household of two people. At 209.55% of the FPL, the expected contribution to the cost of the health insurance premium is 6.63% of the anticipated household income. For an annual anticipated household income of \$32,501.33, this equals \$2,156.23 per year, or \$179.69 monthly.

The maximum amount of APTC that can be awarded equals the cost of the second lowest cost silver plan in your county (\$139.30 per month) minus your expected contribution (\$179.69 per month), which equals -\$40.39 per month.

Since your expected contribution is higher than the cost of the second lowest cost silver plan, the amount of APTC that can be approved by the Marketplace is \$0.00, and the preliminary eligibility determination is correct.

Decision

The April 7, 2014 preliminary eligibility determination is **AFFIRMED**.

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Effective Date of this Decision: July 3, 2014

How this Decision Affects Your Eligibility

The advance premium tax credit that is available to offset the cost of health insurance premiums for [REDACTED] is \$0.00.

He remains eligible for cost-sharing reductions as long as he is enrolled in a silver-level plan through the Marketplace.

If You Disagree with this Decision (Appeal Rights)

This Decision is final unless you submit an appeal request to U.S. Department of Health and Human Services or bring a lawsuit under New York Civil Practice Law and Rules, Article 78.

If you do not agree with this Decision, you have the right to appeal outside the Marketplace and may:

- Make an appeal request to the U.S. Department of Health and Human Services appeals entity within 30 days of the date of the Decision Date, which appears on the first page of the Decision (45 CFR § 155.520(c))

AND/OR

- Bring a lawsuit in state court in accordance with Article 78 of the Civil Practice Law and Rules within four months after the date of the Decision Date, which appears on the first page of the Decision.

If you wish to be represented by an attorney in bringing an outside appeal and do not know how to go about getting one, you may contact legal resources available to you. You may, for example, contact the local County Bar Association, Legal Aid, or Legal Services for assistance.

If You Have Questions about this Decision (Customer Service Resources):

You can contact us in any of the following ways:

- By calling the Customer Service Center at 1-855-355-5777
- By mail at:

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- By fax: 1-855-900-5557

Summary

The Marketplace's preliminary eligibility determination made on April 7, 2014, is **AFFIRMED**.

The advance premium tax credit that is available to offset the cost of health insurance premiums for [REDACTED] is \$0.00.

He remains eligible for cost-sharing reductions as long as he is enrolled in a silver-level plan through the Marketplace.

Legal Authority

We are sending you this notice in accordance with Federal regulation 45 CFR § 155.545(a).

A Copy of this Decision Has Been Provided To:

[REDACTED]
[REDACTED]
[REDACTED]