



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

Notice of Decision

NY State of Health Number: [REDACTED]
Appeal Identification Number: AP000000000595

Decision Date: July 28, 2014

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Dear [REDACTED],

On May 23, 2014, you appeared by telephone at a hearing on your appeal of NY State of Health Marketplace's April 23, 2014 eligibility determination.

The enclosed 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 notice.

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).

PAGE INTENTIONALLY LEFT BLANK



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

Decision

NY State of Health Number: [REDACTED]
Appeal Identification Number: AP000000000595

Decision Date: July 28, 2014

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Issue

The issues presented for review by the Appeals Unit of the NY State of Health are:

Did the Marketplace properly determine that [REDACTED] was temporarily eligible for an advance premium tax credit (APTC) in the amount of \$196.00 as of April 21, 2014?

Did the Marketplace properly determine that [REDACTED] was temporarily eligible for Cost Sharing Reductions (CSR) as of April 21, 2014 provided he enrolled in a silver-level qualified health plan (QHP)?

Procedural History

On March 23, 2014, you filed an application for health insurance through the Marketplace for yourself only.

On April 21, 2014, you reapplied for health insurance through the Marketplace, reporting a household income of \$27,040.00. The Marketplace prepared a preliminary eligibility determination that same day and, on April 23, 2014, issued a notice of eligibility determination. According to that notice, you reported a household income of \$27,040.00, were temporarily eligible for up to \$196.00 of APTC monthly, and were temporarily eligible for CSR provided you were enrolled in a silver-level QHP through the Marketplace.

The preliminary determination also stated: "What you told us on your application doesn't match the records we have for you. Please provide us with the information requested below to avoid losing help. If we do not get this information

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).

from you, we will have to use the information from our records to determine your eligibility. This means that you may lose the financial help you get with your health insurance and your health insurance could be terminated.”

On April 21, 2014, you spoke with Marketplace Customer Service and appealed the April 21, 2014 preliminary determination.

On May 21, 2014, you had a telephone hearing. Testimony was taken at the hearing. The record was developed during the hearing and is now complete and closed.

Findings of Fact

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

1. You reapplied for health insurance through the NY State of Health Marketplace on April 21, 2014, for yourself only.
2. You plan to file a 2014 federal income tax return with a filing status of “single” and to claim no dependents.
3. You testified that your weekly income varies but that your expected income for 2014 is \$27,040.00.
4. According to your Marketplace application, you reside in Kings County.

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

Applicable Law and Regulations

An advance premium tax credit (APTC) is available to a tax filer whose household income is not expected to be more than 400% of the Federal Poverty Level (FPL) for the benefit year in which coverage is requested (45 CFR § 155.305(f)(1)(i)).

A tax filer’s household income includes the modified adjusted gross income (MAGI) of all the individuals in the taxpayer’s family who are required to file a federal tax return for the taxable year (26 CFR § 1-36B-1(e)(1)).

MAGI means the adjusted gross income under section 62 of the Internal Revenue Code increased by foreign earned income that has been excluded from gross income under 26 USC § 911 and social security benefits that were not included in gross income under 26 USC § 86 for everyone who resides in the

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).

taxpayer's household (26 CFR § 1-36B-1(e)(2)).

A household of one person is eligible for APTC if the household's income is from 138% to 400% of the FPL. As of April 21, 2014, the FPL for a household of one was \$11,490.00 (100%), so a household of one person can qualify for APTC if their household income is between \$15,857.00 (138%) and \$45,960.00 (400%).

The maximum amount of APTC that can be authorized equals

1) 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 geographic area where the taxpayer resides

minus

2) the taxpayer's expected contribution amount

(26 USC § 36B, 26 CFR § 1.36B-3).

The taxpayer's expected contribution amount is the amount that the family is expected to spend on health insurance premiums. A family's expected contribution towards the cost of health insurance premiums is set by Federal regulation at 2% to 9.5% of income, depending on the household's income (26 CFR § 1.36B-3(g)). For household income in the range of at least 200% of the 2013 federal poverty level (FPL) but less than 250% of the 2013 FPL, the expected contribution is from 6.3% to 8.05% of the household income (26 CFR § 1.36B-3(g)(2)).

At the end of a tax year, a person who elects to take the APTC to help pay for the cost of insurance premiums must file a tax return to reconcile any differences between the amount of income the person reported to the Marketplace and the actual income reported on their tax return. A person who takes a lower advance tax credit than the maximum they are entitled to may receive an income tax refund. A person who takes a higher advance tax credit than they can claim when they file their tax return will owe the excess as an additional income tax liability (26 CFR § 1.36B-4).

Cost-sharing reductions (CSR) are available only to a person who (1) is eligible to enroll in a QHP through the Marketplace, (2) meets the requirements to receive advanced premium tax credits, (3) is expected to have a household income that does not exceed 250 percent of the FPL for the plan year coverage is requested and (4) is enrolled in a silver-level QHP (45 CFR § 155.305(g)(1)).

Legal Analysis

The matters at issue are whether the Marketplace properly determined that the maximum amount of your advance premium tax credit (APTC) is \$196.00 per month and properly determined that you are eligible for cost-sharing reductions (CSR).

For purposes of an APTC and CSR analysis, you are in a one-person tax household because you expect to use a filing status of “single” and claim no dependents on your 2014 federal income tax return.

You reside in Kings County, where the second lowest cost silver plan available through the Marketplace costs \$365.28 per month.

You told the Marketplace that your expected income for 2014 is \$27,040.00, which is 235.34% of the 2013 FPL for a one-person household. At 235.34% of the FPL, the expected contribution to the cost of the health insurance premium is 7.53% of income, or \$169.68 per month.

The maximum amount of APTC that can be awarded equals the cost of the second lowest cost silver plan in your county (\$365.28 per month) minus your expected contribution (\$169.68 per month), which equals \$195.60 per month. Therefore the Marketplace correctly computed your maximum APTC to be \$196.00 per month.

Cost-sharing reductions are available to a person who has a household income no greater than 250% of the FPL. Since your household income is 235.34% of the FPL, you are eligible for cost-sharing reductions provided you are enrolled in a silver-level QHP through the Marketplace.

Since the April 23, 2014 eligibility determination is correct, it is AFFIRMED.

Decision

The April 23, 2014 eligibility determination is AFFIRMED.

Effective Date of this Decision: July 28, 2014

How this Decision Affects Eligibility

You are temporarily eligible for an advance premium tax credit up to \$196.00 per month.

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).

You are temporarily eligible for cost-sharing reductions provided you are enrolled in a silver-level qualified health plan.

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:

- Submit 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 this Decision (45 CFR § 155.520(c))

AND/OR

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

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:
NY State of Health Appeals
P.O. Box 11729
Albany, NY 12211
- By fax: 1-855-900-5557

Summary

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).

The April 23, 2014 eligibility determination is AFFIRMED.

You are temporarily eligible to for an advance premium tax credit up to \$196.00 per month.

You are temporarily eligible for cost-sharing reductions provided you are enrolled in a silver-level qualified health plan.

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]
[REDACTED]