



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

## Notice of Decision

Decision Date: September 2, 2014

NY State of Health Number: [REDACTED]  
Appeal Identification Number: AP000000000669

[REDACTED]  
[REDACTED]  
[REDACTED]

Dear [REDACTED],

On June 26, 2014, you appeared by telephone at a hearing on your appeal of NY State of Health Marketplace's April 19, 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).

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## Decision

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NY State of Health Number: [REDACTED]  
Appeal Identification Number: AP000000000669

[REDACTED]  
[REDACTED]  
[REDACTED]

## Issue

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

Did the Marketplace properly determine that [REDACTED] was eligible for an advance premium tax credit (APTC) in the amount of \$88.00 as of April 19, 2014?

## Procedural History

On March 28, 2014, you initially filed an application for health insurance through the Marketplace for yourself only.

On March 29, 2014, the Marketplace issued an eligibility determination notice stating that based on a household income of \$35,000.00, you are eligible to enroll in a QHP and receive up to \$88.00 monthly of APTC.

On April 6, 2014, you reapplied for health insurance through the Marketplace.

On April 19, 2014, the Marketplace issued an eligibility determination notice stating that based on a household income of \$35,000.00, you are eligible to enroll in a QHP and receive up to \$88.00 monthly of APTC.

On May 13, 2014, you submitted a written appeal regarding your April 19, 2014 eligibility determination.

On June 26, 2014, you appeared for a telephone hearing. Testimony was taken at the hearing. The record was held open until July 1, 2014 to allow you to submit documentation.

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Additional evidence was received from you on June 30, 2014. The evidence was made part of the record, and the record was closed.

The record 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 6, 2014 for yourself only.
2. According to the Marketplace application, you reside in Bronx County, New York.
3. You plan to file a 2014 federal income tax return with a tax status of single and to claim no dependents.
5. You testified that your expected gross income is \$35,000.00 for 2014.
6. On June 30, 2014, you faxed your 2013 Form 1098-E to the NY State of Health Appeals Unit. You expect to have a similar 2014 student loan interest deduction as you did in 2013. Your student loan interest deduction for 2013 was \$239.19.

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

## **Applicable Law and Regulations**

An advance premium tax credit (APTC) is available to a person who is eligible to enroll in a Qualified Health Plan (QHP) and

1. expects to have a household income between 138% and 400% of the Federal Poverty Line (FPL),
2. expects to file a tax return and claim a personal exemption deduction for a person who meets the eligibility requirements to enroll in a qualified health plan, and
3. is not otherwise eligible for minimum essential coverage except through the individual market (45 CFR § 155.305(f)).

The maximum amount of APTC that can be authorized equals

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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 county where the taxpayer resides

minus

2) the taxpayer's expected contribution amount

(see 26 USC § 36B, 26 CFR § 1.36B-3).

The taxpayer's expected contribution amount is the amount that the taxpayer is expected to spend on health insurance premiums. The expected contribution is set by Federal law at 2% to 9.5% of household income (26 USC § 36B(b)(3)(A)).

For household income that is at least 300% but less than 400% of the 2013 federal poverty level (FPL), the expected contribution is 9.5% of the household income (see 26 CFR § 1.36B-3(g)(2), 45 CFR 155.300(a)).

For a one-person household, the 2013 FPL is \$11,490.00 (78 Fed Reg 5182, 5183 (2013)).

People who use the APTC to help pay health insurance premiums must file a federal tax return and reconcile their expected income (stated on the Marketplace application) with their actual income (stated on their income tax form). Those who take less tax credit in advance than they claim on the tax return may get the rest of it as an income tax refund. Those who take more tax credit in advance than they can claim on their tax return will owe the difference as additional income taxes (26 CFR § 1.36B-4).

## **Legal Analysis**

For purposes of determining APTC eligibility, you are in a one-person household.

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

Your expected income for 2014 is \$35,000, which is 304.61% of the 2013 FPL for a one-person household. At 304.61% of the FPL, the expected contribution to the cost of the health insurance premium is 9.5% of income, or \$277.08 per month.

The maximum amount of APTC that can be approved equals the cost of the second lowest cost silver plan in your county (\$365.28 per month) minus your expected contribution (\$277.08 per month), which equals \$88.20 per month.

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Therefore, computing to the nearest dollar, the Marketplace correctly determined your APTC to be \$88.00 per month.

When filing your 2014 federal tax return, the difference between your expected income (stated on the Marketplace application) and your actual income (stated on your income tax form) will be reconciled. If you take less tax credit in advance than you claim on your tax return, you may get the rest of it as an income tax refund. If you take more tax credit in advance than you can claim on your tax, you will owe the difference as additional income taxes.

You submitted evidence credibly demonstrating that you were entitled to take a student loan interest deduction of \$239.19 on your 2013 tax return. If this amount was not considered when you estimated your income at \$35,000.00, taking a comparable deduction on your 2014 tax return may slightly increase the amount of premium tax credit you can claim when you file your 2014 taxes.

## **Decision**

The Marketplace's eligibility determination made on April 19, 2014 is AFFIRMED.

**Effective Date of this Decision:** September 2, 2014

## **How this Decision Affects Eligibility**

The April 19, 2014 eligibility determination is correct, so it remains in effect.

You are eligible for advance premium tax credit (APTC) of up to \$88.00 per month.

## **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

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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**

The Marketplace's eligibility determination made on April 19, 2014 is AFFIRMED.

The April 19, 2014 eligibility determination is correct, so it remains in effect.

You are eligible for advance premium tax credit (APTC) of up to \$88.00 per month.

### **Legal Authority**

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

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).

**A Copy of this Decision Has Been Provided To:**

[REDACTED]  
[REDACTED]  
[REDACTED]