



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

## Notice of Decision

Decision Date: November 10, 2014

NY State of Health Number: [REDACTED]  
Appeal Identification Number: AP000000000802

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

Dear [REDACTED],

On September 12, 2014, you appeared by telephone at a hearing on your appeal of NY State of Health Marketplace's August 8, 2014 eligibility redetermination.

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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Appeal Identification Number: AP000000000802

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

## Issue

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

Did the Marketplace properly determine that as of August 7, 2014, [REDACTED] was ineligible for Medicaid, but eligible for up to \$322.00 per month in advance premium tax credit and, while enrolled in a silver-level qualified health plan through the Marketplace, cost-sharing reductions?

## Procedural History

The Marketplace received your initial application on March 29, 2014.

On March 30, 2014, the Marketplace issued a notice of eligibility determination in your case. It said that based upon a household income of \$16,380.00, you were eligible to receive up to \$322.00 per month in advance premium tax credit (APTC) and, provided you enrolled in a silver-level plan, cost-sharing reductions (CSR). You were also determined ineligible for Medicaid since your household income exceeded the allowable income limit for that program.

On August 7, 2014, you resubmitted your application for redetermination by the Marketplace. That same day, the Marketplace prepared a preliminary redetermination in your case, the findings of which were entirely consistent with those contained within your March 30, 2014 eligibility determination.

That same day, you spoke with the Marketplace's Customer Service unit and appealed that determination.

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On August 8, 2014, the Marketplace sent you a notice of eligibility redetermination that formalized the findings of the August 7, 2014 preliminary determination.

On September 12, 2014, you had a telephone hearing with a Hearing Officer from the Marketplace's Appeals Unit. The record was developed during the hearing and remained open for the sole purpose of providing you an opportunity to submit as additional evidence: (1) pay stubs reflecting your actual income received during August 2014, and (2) statements reflecting the portion of your student loan obligations that consisted of payments on accrued interest during August 2014. The record was to be closed 15 days after the Hearing Date, or upon the receipt of the above documents, whichever occurred earlier.

No additional documentation was received by the Appeals Unit from you by September 27, 2014. Accordingly, the record was closed on September 27, 2014.

## **Findings of Fact**

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

- 1) You are unmarried and have no dependents (NYSOH Exhibit A, pg. 1; Appellant testimony 9/12/14).
- 2) You expect to file your U.S. Income Tax return for the 2014 tax year as "single" and claim no dependents (NYSOH Exhibit A, pg. 1; Appellant testimony 9/12/14).
- 3) You live in Kings County, New York (NYSOH Exhibit A, pg. 1; Appellant testimony 9/12/14).
- 4) You are seeking insurance coverage only for yourself (NYSOH Exhibit A, pg. 1; Appellant testimony 9/12/14).
- 5) You are currently employed by [REDACTED] where you expect to earn approximately \$16,380.00 for 2014, which is based upon working 35 hours per week at a pay rate of \$9.00 per hour (NYSOH Exhibit A, pgs. 1-2; Appellant testimony 9/12/14).
- 6) You testified that if you not qualify for Medicaid coverage, you will have difficulty making insurance premium payments due to your monthly living expenses, which include rent, groceries and utilities (Appellant testimony 9/12/14).

- 7) You further testified that your student loan obligations total approximately \$42,000.00 (Appellant testimony 9/12/14).

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

## **Applicable Law and Regulations**

### Medicaid Eligibility

Medicaid through the Marketplace can be provided to adults who: (1) are age 19 or older and under age 65; (2) are not pregnant; (3) are not entitled to or enrolled for Medicare benefits under part A or B of title XVIII of the Act; (4) are not otherwise eligible for and enrolled for mandatory coverage under a State's Medicaid State plan in accordance with subpart B of this part; and (5) have a household modified adjusted gross income that is at or below 138% of the federal poverty level (FPL) for the applicable family size (42 CFR § 435.119(b), 42 CFR § 435.911(b)(1), 42 CFR § 435.603(d)(4)).

The 2014 FPL for a one-person household is \$11,670.00 (79 Fed. Reg. 3593).

When determining Medicaid eligibility for new applicants, financial eligibility is based upon current monthly income and family size (42 CFR § 435.603(h)(1)); State Plan Amendment 13-0055-MM3, as approved by the US Department of Health and Human Services, March 19, 2014).

### APTC Level

The maximum amount of APTC that can be approved 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; 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 towards the cost of health insurance premiums is set by Federal regulation at 2% to 9.5% of income, depending on household's income (26 USC § 36B(b)(3)(A)).

For household income in the range of at least 150% FPL but less than 200% 2013 FPL, the expected contribution is from 4.00% to 6.30% of the household income (26 CFR § 1.36B-3(g)(2)).

The 2013 FPL for a one-person household is \$11,490 (78 Fed. Reg. 5182, 5183).

### Hardship Exemption

Under some circumstances, a person may receive an exemption from paying a penalty for not purchasing health insurance coverage. Such an exemption may be granted if that person can show that she experienced a financial hardship or has domestic circumstances that (1) caused an unexpected increase in essential expenses that prevented that person from obtaining health coverage under a qualified health plan (QHP); (2) would have caused the person to experience serious deprivation of food, shelter, clothing or other necessities, as a result of the expense of purchasing health coverage under a QHP; or (3) prevented that person from obtaining coverage under a QHP (45 CFR § 155.605(a), (g)).

NY State of Health has deferred to the U.S. Department of Health and Human Services (HHS) on the matter of hardship exemptions (see 45 CFR § 155.505(c)).

### **Legal Analysis**

The matters at issue are: (1) whether you are eligible for no-cost medical insurance through Medicaid as of August 8, 2014, and (2) whether you are eligible for a greater advance premium tax credit (APTC) than the \$322.00 approved in the August 8, 2014 eligibility redetermination.

According to the record, for the 2014 tax year you expect to file as single and claim no dependents. Therefore, for purposes of this decision you are a one-person household.

When sufficient evidence is available, Medicaid eligibility is based on an analysis of your current monthly income. The record was held open for 15 days following the hearing to give you an opportunity to submit evidence of your income for a month. Since you did not submit this evidence, your eligibility for Medicaid cannot be determined on this basis. Your eligibility will be determined on information available in the record, which is your testimony that you expect to earn \$16,380.00 during 2014.

You testified that you make monthly payments on your student loan and that some portion of these payment may be for interest payable for a qualified loan. You were given an opportunity to submit documentation on this issue but did not do so before the record closed on September 27, 2014. Since the evidence is not

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available in the record and cannot be considered your MAGI-based income remains at \$16,380.00.

An expected 2014 income of \$16,380.00 places you at 140.36% of the 2014 FPL. Since Medicaid is available to a person whose household income is no greater than 138% of the 2014 FPL, the Marketplace properly found that you were not eligible for Medicaid as of August 8, 2014.

The August 8, 2014 eligibility determination stated that you were eligible for advance premium tax credit (APTC) of \$322.00 per month.

You reside in Kings County, where the second lowest cost silver plan that is available through the Marketplace for an individual costs \$370.52 per month.

Your expected income for 2014 is \$16,380.00, which equals 142.56% of the 2013 FPL for a one-person household. At 142.56% of the FPL, the expected contribution to the cost of the health insurance premium is 3.56% of income, or \$48.60 per month.

The maximum amount of APTC that can be awarded equals the cost of the second lowest cost silver plan in your county (\$370.52 per month) minus your expected contribution (\$48.60 per month), which equals \$321.92 per month.

Therefore, computing to the nearest dollar, the Marketplace correctly determined you maximum APTC amount to be \$322.00 per month.

Since the August 8, 2014 eligibility determination properly stated that you were not eligible for Medicaid coverage and that you were eligible for up to \$322.00 in APTC, it is correct and is AFFIRMED.

## **Decision**

The August 8, 2014 eligibility redetermination is AFFIRMED.

**Effective Date of this Decision:** November 10, 2014

## **How this Decision Affects Your Eligibility**

This decision does not change your eligibility.

You remain eligible to enroll in a qualified health plan; eligible to receive up to \$322.00 per month in advance premium tax credits and, provided you are enrolled in a silver-level plan, cost-sharing reductions.

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You remain ineligible for Medicaid.

If you wish to be considered for a hardship exemption, which would exempt you from paying a penalty for not having health insurance, consult the Federal Marketplace website ([www.healthcare.gov](http://www.healthcare.gov)) for additional information and an application.

### **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 August 8, 2014 eligibility redetermination is AFFIRMED.

This decision does not change your eligibility.

You remain eligible to enroll in a qualified health plan; eligible to receive up to \$322.00 per month in advance premium tax credits and, provided you are enrolled in a silver-level plan, cost-sharing reductions.

You remain ineligible for Medicaid.

If you wish to be considered for a hardship exemption, which would exempt you from paying a penalty for not having health insurance, consult the Federal Marketplace website ([www.healthcare.gov](http://www.healthcare.gov)) for additional information and an application.

## **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]