



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

Notice of Decision

Decision Date: December 15, 2014

NY State of Health Number: [REDACTED]
Appeal Identification Number: AP000000000864

[REDACTED]
[REDACTED]
[REDACTED]

Dear [REDACTED],

On September 29, 2014, you appeared by telephone at a hearing on your appeal of NY State of Health Marketplace's August 4, 2014 eligibility redetermination.

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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[REDACTED]
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Issues

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

Did the Marketplace properly determine that you are eligible to receive an advance premium tax credit of up to \$115.00 per month as of August 4, 2014?

Did the Marketplace properly determine that you are not eligible to receive cost-sharing reductions as of August 4, 2014?

Did the Marketplace properly determine that you are not eligible to receive Medicaid as of August 4, 2014?

Procedural History

The Marketplace initially received your application on July 21, 2014.

On August 3, 2014, the Marketplace received your modified application and made a preliminary redetermination that you were eligible for an advance premium tax credit of up to \$115.00 per month.

On August 4, 2014, the Marketplace issued an eligibility determination consistent with this finding. It also said you were not eligible to receive (1) Cost-sharing reductions, because your household income of \$32,984.25 was over the allowable limit of \$28,725.00, or (2) Medicaid, because your reported household income was over the allowable income limit of \$16,105.00.

On August 21, 2014, you called the Marketplace's Account Review Unit and appealed that determination.

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On September 29, 2014, you had a telephone hearing with a Hearing Officer from the Marketplace's Appeals Unit. The record was developed during the hearing and held open for up to fifteen days to allow you to submit a copy of your online unemployment insurance benefits account.

On September 29, 2014, the Marketplace's Appeals Unit received a three page fax from you. It consisted of a cover page and a copy of your online unemployment insurance benefits account. Collectively, this fax was made part of the record as "Appellant's Exhibit D." The record was closed that same day.

Findings of Fact

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

- 1) You are single, have no dependents, and live in Nassau County, New York.
- 2) You plan on filing your 2014 federal income tax return as single.
- 3) You testified and provided documentary proof that your 2014 year to date earnings include \$21,153.80 from [REDACTED], your most recent employer, and \$1,705.45 from [REDACTED], a previous employer (Appellant's Exhibit A and B).
- 4) Your employment with the [REDACTED] ended on January 19, 2014, and your last day of work for [REDACTED] was June 12, 2014. This employer provided one week of vacation pay to June 20, 2014 (Appellant's Exhibit C).
- 5) Your employer indicated in its separation letter that it would no longer be contributing to your health insurance premiums (Appellant's Exhibit C).
- 6) Your health benefits ended as of July 31, 2014; you paid the August 2014 premium, and need coverage beginning September 1, 2014.
- 7) You testified that you were approved for unemployment benefits and expect to receive \$405.00 gross benefits per week for 26 weeks.
- 8) The Unemployment Insurance Benefits Online Official Record of Benefit Payment History states that your weekly benefit amount is \$405.00 for the benefit year beginning on June 23, 2014, and that your first benefit payment was released on July 25, 2014 (Appellant's Exhibit D).

- 9) You testified that you did not have any medical bills that you need reimbursed.

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

Applicable Law and Regulations

Advance Premium Tax Credit

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 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 annual household income (26 USC § 36B(b)(3)(A)).

For annual household income in the range of at least 250% but less than 300% of the FPL, the expected contribution is between 8.05% and 9.5% of the household income (see 26 CFR § 1.36B-3(g)(2), 45 CFR § 155.300(a)).

In an analysis of APTC eligibility, the determination is based on the FPL "for the benefit year for which coverage is requested. (45 CFR § 155.305(f)(1)(i)). On the date of your application, that was the 2013 FPL, which is \$11,490.00 for a one-person household (78 Fed. Reg. 5182, 5183).

Cost-Sharing Reductions

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% 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)).

Medicaid

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An individual is eligible for enrollment in Medicaid when she meets the nonfinancial criteria and has a monthly household income that is at or below the applicable Medicaid modified adjusted gross income standard (45 CFR § 155.305(c)).

Medicaid can be provided through the Marketplace 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 for the applicable family size (42 CFR § 435.119(b), 42 CFR 435.603(d)(4)), N.Y. Soc. Serv. Law § 366(1)(b)).

In an analysis of Medicaid eligibility, the determination is based on the FPL “for the applicable budget period used to determine an individual's eligibility” (42 CFR § 435.4). On the date of your application, that was the 2014 FPL, which is \$11,670.00 for a one-person household (79 Fed. Reg. 3593, 3593).

Financial eligibility for Medicaid for applicants who are not currently receiving Medicaid benefits is based on current monthly household income and family size (42 CFR § 435.603(h)(1); State Plan Amendment (SPA) 13-0055-MM3, as approved by the US Department of Health and Human Services, March 19, 2014).

Hardship Exemptions

Under some circumstances, a person may receive an exemption from paying a penalty for not purchasing a Qualified Health Plan (QHP). 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 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 qualified health plan (45 CFR § 155.605(a), (g)).

NY State of Health currently defers 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

According to the record, you are the only member of your tax household. You expect to file as single on your income tax return for 2014 and to claim no dependents.

In the application that was submitted on August 3, 2014, you attested to an expected yearly income of \$32,984.25, and the eligibility determination relied upon that information.

An annual household income of \$32,984.25 equals 287.07% of the 2013 FPL for a one-person household. At 287.07% of the FPL, the expected contribution to the cost of the health insurance premium is 9.13% of income, or \$250.82 per month.

The maximum amount of advance premium tax credits that can be authorized equals the cost of the second lowest cost silver plan in your count (\$365.28) minus your expected contribution (\$250.82), which equals \$114.46. Therefore, the Marketplace correctly computed your advance premium tax credit, rounded to the nearest dollar, to be \$115.00 per month on an expected-income basis.

Cost-sharing reductions are available to a person who has a household income no greater than 250% of the FPL. Since a household income of \$32,984.25 is 287.07% of the 2013 FPL, the Marketplace correctly found you to be ineligible for cost-sharing reductions.

Medicaid can be provided through the Marketplace to adults between the ages of 19 and 65 who meet the non-financial requirements and have a household modified adjusted gross income that is at or below 138.0% of the FPL for the applicable family size. On the date of your application, the relevant FPL was the 2014 FPL of \$11,670.00 for a one-person household. Since \$32,984.25 is 287.07% of the 2014 FPL, the Marketplace properly found you to be ineligible for Medicaid on an expected annual income basis, using the information provided in your application.

However, at the hearing you testified that your 2014 expected household income no longer reflects your current income situation and that you would like your financial eligibility reconsidered.

The record indicates that the only income you received during July 2014, the month of your initial application, consisted of unemployment benefits. According to your unemployment insurance benefit payment history, your waiting week ended June 26, 2014, and you qualified for \$405.00 in benefits for the weeks ending July 6, July 13, July 20, and July 27. Payments for the first three weeks were released on July 25, and the fourth was released on July 28, bringing your total July income to \$1,620.00.

Likewise, your only income for August 2014, the month of your revised application, was in the form of unemployment benefit payments released on August 4, August 15, August 19, and August 25, giving you a total August income of \$1,620.00.

Financial eligibility for Medicaid for applicants who are not currently receiving Medicaid benefits is based on current monthly household income and family size. To be eligible for Medicaid, you would need to meet the non-financial criteria and have an income no greater than 138% of the FPL which is \$1,343 per month. Since your income was \$1,620.00 for July 2014 and for August 2014, you did not qualify for Medicaid on the basis of monthly income when you submitted your initial or revised applications.

Since the August 5, 2014 determination properly stated that, based on the information you provided, you were eligible for APTC of up to \$115.00 per month, ineligible for cost-sharing reductions, and ineligible for Medicaid, it is correct and is AFFIRMED.

Decision

The August 4, 2014 eligibility determination is AFFIRMED.

Effective Date of this Decision: December 15, 2014

How this Decision Affects Your Eligibility

This decision does not change your eligibility.

You are entitled to up to \$115.00 per month in advance premium tax credit and are ineligible for cost-sharing reductions and Medicaid.

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:

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).

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

Summary

The August 4, 2014 eligibility determination is AFFIRMED.

This decision does not change your eligibility.

You are entitled to up to \$115.00 per month in advance premium tax credit and are ineligible for cost-sharing reductions and Medicaid.

Legal Authority

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

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A Copy of this Decision Has Been Provided To:

[REDACTED]
[REDACTED]
[REDACTED]