



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

Notice of Decision

Decision Date: December 24, 2014

NY State of Health Number: [REDACTED]
Appeal Identification Number: AP000000000874

[REDACTED]
[REDACTED]
[REDACTED]

Dear [REDACTED],

On September 25, 2014, you appeared by telephone at a hearing on your appeal of NY State of Health Marketplace's August 26, 2014 eligibility determination.

The enclosed Decision, rendered after that hearing, is issued by the Appeals Unit of 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 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).

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[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 [REDACTED] was eligible for up to \$95.00 per month in advance premium tax credit but not eligible for cost-sharing reductions or Medicaid as of August 26, 2014?

Procedural History

The Marketplace received your initial application for health insurance on July 9, 2014.

Between July 9, 2014 and August 25, 2014, you modified your application multiple times.

On August 25, 2014, the Marketplace received your modified application for health insurance.

That same day, the Marketplace made a preliminary redetermination that you were eligible for up to \$95.00 per month in advance premium tax credit.

Also on that same day, you spoke with the Marketplace's Account Review Unit and appealed that determination.

On August 26, 2014, the Marketplace issued a notice consistent with the preliminary eligibility determination; it stated that you were eligible to enroll in a qualified health plan and that you were entitled to up to \$95.00 per month in advance premium tax credit. The notice also stated that you were not eligible for

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Medicaid because the household income you provided of \$31,883.00 was over the allowable income limit of \$16,105.00.

On September 25, 2014, you had a telephone hearing with a Hearing Officer from the Marketplace's Appeals Unit. The record was developed during the hearing and left open for up to 15 days to allow you to submit supporting documentation. On September 30, 2014, you submitted a copy of your letter of employment termination, which was made part of the record as Appellant's Exhibit "A." The record is now closed.

Findings of Fact

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

- 1) You testified that you plan on filing your 2014 tax return as single and will not claim any dependents on that tax return.
- 2) You testified that your last day of employment was April 30, 2014.
- 3) The record contains a letter from [REDACTED] dated April 30, 2014 stating that your employment ended as of that date (Appellant's Exhibit A).
- 4) You testified that your total household income from January 1, 2014 to April 30, 2014 was \$31,883.00.
- 5) You testified that you did not apply for unemployment benefits as you believed you would be able to find employment.
- 6) You testified that you received your last paycheck on May 13, 2014.
- 7) You testified that since your last paycheck you have not had any other source of income.
- 8) You testified that for the months of June, July, and August you made \$0.00 and you do not expect to have any income for the month of September.
- 9) According to your Marketplace application, you reside in Dutchess County.

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 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 2013 Federal poverty level (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 QHP; and (3) is not otherwise eligible for minimum essential coverage except through the individual market (see 45 CFR § 155.305(f), 42 CFR § 435.119(b), 42 CFR § 435.911(b)(1), 42 CFR § 435.603(d)(4)).

The maximum amount of advance premium tax credit 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 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 for 2014 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 2013 federal poverty level, the expected contribution is between 8.05% and 9.50% 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 to a person who (1) is eligible to enroll in a QHP through the Marketplace, (2) meets the requirements to receive APTC, (3) is expected to have an annual household income that does not exceed

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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

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 (MAGI) that is at or below 138% of the FPL for the applicable family size (42 CFR § 435.119(b), 42 CFR § 435.911(b)(1), 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 March 19, 2014).

Legal Analysis

The first issue is whether the Marketplace properly determined that you were eligible for an advance premium tax credit (APTC) of up to \$95.00 per month.

In the application that was submitted on August 25, 2014, you attested to an expected yearly income of \$31,883.00, and the eligibility determination relied upon that information.

According to the record you are the only person in your tax household.

You reside in Dutchess County, where the second lowest cost silver plan available for one person through the Marketplace costs \$330.41 per month.

An annual income of \$31,883.00 is 277.48% of the 2013 federal poverty level (FPL) for a one-person household. At 277.48% of the FPL, the expected contribution to the cost of the health insurance premium is 8.85% of income, or \$235.18 per month.

The maximum amount of APTC that can be approved equals the cost of the second lowest cost silver plan available through the Marketplace for one person

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in your county (\$330.41 per month) minus your expected contribution (\$235.18 per month), which equals \$95.23 per month. Therefore, computing to the nearest dollar, the Marketplace correctly determined you to be eligible for APTC up to \$95.00 per month.

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 \$31,883.00 is 277.48% 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% of the FPL for the applicable family size. On the date of your application, the relevant FPL was \$11,670.00 for a one-person household. Since \$31,883.00 is 273% 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.

Since the August 26, 2014 determination properly stated that, based on the information you provided, you were eligible for APTC of up to \$95.00 per month, not eligible for cost-sharing reductions, and not eligible for Medicaid, it is correct and is AFFIRMED.

However, financial eligibility for Medicaid for applicants who are not currently receiving Medicaid benefits is based on current monthly household income and family size.

The credible evidence of record indicates that your employment at [REDACTED], ended on April 30, 2014, and that you had no income for the month of August 2014.

Since the record suggests that the Marketplace determined your eligibility by expected annual income but not by current monthly income, the case should be returned to the Marketplace for a redetermination of financial eligibility using an income of \$0 for the month of August 2014.

Therefore, the case is returned to the Marketplace to redetermine eligibility for financial assistance based on a one-person household in Dutchess County, with an August 2014 income of \$0.

Decision

The August 26, 2014 eligibility determination is AFFIRMED.

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The case is returned to the Marketplace for redetermination of the appellant's eligibility for a one-person household in Dutchess County, with a total income of \$0.00 for the month of August 2014.

Effective Date of this Decision: December 24, 2014

How this Decision Affects Your Eligibility

This decision does not change your eligibility, but it does direct the Marketplace to redetermine your Medicaid eligibility, taking into account the additional information you provided during and after your hearing. The Marketplace will issue another notice after it redetermines your eligibility.

Currently, you remain eligible for an advance premium tax credit of up to \$95.00 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:

- 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.

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

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

The August 26, 2014 eligibility determination is AFFIRMED.

The case is returned to the Marketplace for redetermination of the appellant's eligibility for a one-person household in Dutchess County, with a total income of \$0.00 for the month of August 2014.

This decision does not change your eligibility, but it does direct the Marketplace to redetermine your Medicaid eligibility, taking into account the additional information you provided during and after your hearing

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]