



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

Notice of Decision

Decision Date: January 16, 2015

NY State of Health Number: [REDACTED]
Appeal Identification Number: AP000000000988

[REDACTED]
[REDACTED]
[REDACTED]

Dear [REDACTED]

On October 14, 2014, you appeared by telephone at a hearing on your appeal of NY State of Health Marketplace's August 19, 2014 and August 21, 2014 eligibility determinations.

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).

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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Issues

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

Did the Marketplace properly determine that as of August 18, 2014 you were eligible to receive up to \$196.00 per month in advance premium tax credit and, provided you enroll in a silver level health plan, eligible to receive cost-sharing reductions?

Did the Marketplace properly determine that you were ineligible for Medicaid as of August 18, 2014?

Procedural History

The Marketplace first received your application for health insurance on August 13, 2014.

On August 14, 2014, the Marketplace requested additional information on your income.

The Marketplace determined your eligibility on August 18, 2014 and issued notices on that determination dated August 19, 2014 and August 21, 2014. The August 19 notice states that, with a household income of \$20,470.00, you are eligible to enroll in a qualified health plan with advance premium tax credit of up to \$196.00 per month and, provided you enroll in a silver level qualified health plan, eligible for cost-sharing reductions. It also states that you are not eligible for Medicaid because your income is over the allowable limit for that program. The August 21 notice provides the same information and adds that you have a special enrollment period through September 30, 2014.

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On September 15, 2014, you spoke with the Marketplace's Account Review unit and appealed the August 18, 2014 and August 21, 2014 determinations.

On October 14, 2014, you had a telephone hearing with a Hearing Officer from the Marketplace's Appeals Unit. The record was developed during the hearing and closed at the end of the hearing.

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 claim no dependents on that tax return.
- 2) You testified that your last day of employment was July 25, 2014. The record contains a "Health Insurance Program Declaration of No Income," dated August 13, 2014, on which you state that you were employed until July 25, 2014 and then relocated from Pennsylvania to Syracuse, New York.
- 3) The record contains copies of the last three paystubs from your employer. The last paystub, dated August 1, 2014, lists a year-to-date income of \$20,470.98.
- 4) You testified that the last paycheck you received from your employer was dated August 1, 2014. You provided a copy of a paystub dated August 1, 2014 which lists a gross pay amount of \$600.00.
- 5) An August 13, 2014 Notice of Financial Determination from the Pennsylvania Department of Labor & Industry Office of Unemployment Compensation Benefits Policy states that as of August 10, 2014 your weekly benefit rate is \$317.00.
- 6) You testified that Pennsylvania's unemployment benefits are paid in biweekly installments.
- 7) You testified that you received your first unemployment benefits check on or about August 20, 2014 and that it was for \$634.00.
- 8) You testified that your former employer is appealing your eligibility for unemployment benefits and that you expect to have a hearing on this issue.

- 9) According to your Marketplace application, you reside in Onondaga County, New York.

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 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 qualified health plan, 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), 435.911(b)(1), 435.603(d)(4)).

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 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 the 2014 tax year 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 150% but less than 200% of the 2013 FPL, the expected contribution for the 2014 tax year is between 4% and 6.3% 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).

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Cost-Sharing Reductions

Cost-sharing reductions are available to a person who (1) is eligible to enroll in a qualified health plan through the Marketplace, (2) meets the requirements to receive APTC, (3) is expected to have an annual 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 qualified health plan (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 by the US Department of Health and Human Services, March 19, 2014).

Legal Analysis

The first issue is whether the Marketplace properly determined that you were eligible for up to \$196.00 in advance premium tax credit (APTC).

In the application that was submitted on August 18, 2014, you attested to an expected yearly income of \$20,470.98, and the eligibility determinations on appeal relied upon that information.

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

You reside in Onondaga County, where the second lowest cost silver plan that is available through the Marketplace for an individual costs \$285.86 per month.

An annual household income of \$20,470.98 equals 178.16% of the 2013 federal poverty level (FPL) for a one-person household. At 178.16% of the FPL, the expected contribution to the cost of the health insurance premium is 5.30% of income, or \$90.33 per month.

The maximum amount of APTC that can be authorized equals the cost of the second lowest cost silver plan in your county (\$285.86 per month) minus your expected contribution (\$90.33 per month), which equals \$195.53 per month. Therefore, rounding to the nearest dollar, the Marketplace correctly determined your APTC to be \$196.00 per month.

The second issue is whether the Marketplace correctly found you eligible for cost-sharing reductions.

Cost-sharing reductions are available to a person who has an annual household income no greater than 250% of the FPL. Since an annual household income of \$20,470.98 is 178.16% of the FPL, you were correctly found eligible for cost-sharing reductions.

The third issue is whether the Marketplace correctly found you to be ineligible for Medicaid.

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 \$20,470.98 is 175.54% 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 19, 2014 and August 21, 2014 determinations properly stated that, based on the information you provided, you were eligible for APTC of up to \$196.00 per month, eligible for cost-sharing reductions, and ineligible for Medicaid, it is correct and is AFFIRMED.

However, at the hearing you testified that your 2014 expected annual household income no longer reflects your current income situation.

The credible evidence of record shows during August you received your final paycheck from employment and your first check for unemployment benefits. The final paycheck from employment was for a gross pay amount of \$600.00. The unemployment benefits check was for \$634.00. Therefore, your monthly income for August was \$1,234.00.

Financial eligibility for Medicaid for applicants who are not currently receiving Medicaid benefits is based on current monthly household income and family size. Since the record suggests that, when it processed your August 18, 2014 application, the Marketplace determined your Medicaid eligibility by expected annual income but not by monthly income, your case should be returned to the Marketplace for an eligibility determination based on monthly income.

Therefore, your case is returned to the Marketplace to determine your eligibility for financial assistance on the basis of monthly income using a one-person household in Onondaga County with an August 2014 income of \$1,234.00.

Decision

The August 19, 2014 and August 21, 2014 eligibility determinations are AFFIRMED.

Your case is returned to the Marketplace to determine your eligibility for financial assistance on the basis of monthly income using a one-person household in Onondaga County with an August 2014 income of \$1,234.00.

Effective Date of this Decision: January 16, 2015

How this Decision Affects Your Eligibility

This decision does not change your eligibility.

It does return your case to the Marketplace to consider your eligibility for financial assistance on the basis of monthly income using a one-person household in Onondaga County with an August 2014 income of \$1,234.00

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.

You may bring a lawsuit on any Appeals Unit decision in New York State court in accordance with Article 78 of the New York Civil Practice Law and Rules. This must be done within four months after the date of the Decision Date, which appears on the first page of this Decision.

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).

Additionally, Appeals Unit decisions on issues involving eligibility for qualified health plans, advance premium tax credits, and cost-sharing reductions may be appealed to the U.S. Department of Health and Human Services. This must be done within 30 days of the date of the Decision Date, which appears on the first page of this Decision (45 CFR § 155.520(c))

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 August 19, 2014 and August 21, 2014 eligibility determinations are **AFFIRMED**.

This decision does not change your eligibility.

It does return your case to the Marketplace to consider your eligibility for financial assistance on the basis of monthly income using a one-person household in Onondaga County with an August 2014 income of \$1,234.00

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]