



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

Notice of Decision

Decision Date: March 4, 2015

NY State of Health Number: [REDACTED]
Appeal Identification Number: AP000000001108

[REDACTED]
[REDACTED]
[REDACTED]

Dear [REDACTED]. [REDACTED],

On December 5, 2014, you appeared by telephone at a hearing on your appeal of NY State of Health Marketplace’s November 27, 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 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 issue presented for review by the Appeals Unit of NY State of Health is:

Did the Marketplace properly determine that [REDACTED] [REDACTED] was eligible for up to \$74.00 per month in advance premium tax credit and ineligible for cost-sharing reductions as of November 27, 2014?

Procedural History

The Marketplace received your initial 2015 application for health insurance on November 16, 2014.

You modified your application several times between November 16, 2014 and November 19, 2014.

On November 19, 2014, the Marketplace received your modified application for health insurance. That same day, a preliminary eligibility determination was rendered in your case.

On November 19, 2014, you spoke to the Marketplace’s Account Review Unit and appealed that preliminary determination.

On November 27, 2014, the Marketplace issued a notice detailing the preliminary eligibility determination that had been made on your November 19, 2014 application. That notice stated that you were eligible to enroll in a qualified health plan through the Marketplace and receive up to \$74.00 per month in advance premium tax credit based on a household income of \$30,230.00.

On December 5, 2014, you had a telephone hearing with a Hearing Officer from the Marketplace's Appeals Unit. The record was developed during the hearing and was 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 expect to file your 2014 tax return as Single and you do not expect to claim anyone as a dependent for the 2014 tax year.
- 2) You testified that you are currently employed and earn approximately \$32,000.00 per year, or \$615.39 per week, before taxes are deducted.
- 3) You currently reside in Cayuga County, New York.
- 4) You testified that it is difficult for you to afford your monthly premiums based on your current income and increased premium amounts.

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 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

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(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 8.10% and 9.56% 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 2014 FPL, which is \$11,670.00 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 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)).

Legal Analysis

At issue is whether the Marketplace properly determined that you were eligible for an advance premium tax credit of up to \$74.00 per month and that you were not eligible for cost-sharing reductions.

In the application that was submitted on November 19, 2014, you attested to an expected yearly income of \$30,230.00, which is the sum of your attested salary (\$31,980.00) minus student loan deductions you expect to take (\$1,750.00). The eligibility determination relied upon that information.

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

You reside in Cayuga County, where the second lowest cost silver plan available for an individual through the Marketplace costs \$285.13 per month.

An annual income of \$30,230.00 is 259.04% of the 2014 federal poverty level (FPL) for a one-person household. At 259.04% of the FPL, the expected contribution to the cost of the health insurance premium is 8.36% of income, or \$210.70 per month.

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The maximum amount of advance premium tax credit that can be approved equals the cost of the second lowest cost silver plan available through the Marketplace for an individual in your county (\$285.13 per month) minus your expected contribution (\$210.60 per month), which equals \$74.43 per month. Therefore, computing to the nearest dollar, the Marketplace correctly determined your advance premium tax credit to be \$74.00 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 \$30,230.00 is 259.04% of the 2014 FPL, the Marketplace correctly found you to be ineligible for cost-sharing reductions.

Decision

The November 20, 2014 eligibility determination is AFFIRMED.

Effective Date of this Decision: March 4, 2015

How this Decision Affects Your Eligibility

This decision does not change your eligibility. You remain eligible for an advance premium tax credit of up to \$74.00 per month beginning January 1, 2015.

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.

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 November 27, 2014 eligibility determination is AFFIRMED.

This decision does not change your eligibility. You remain eligible for an advance premium tax credit of up to \$74.00 per month beginning January 1, 2015.

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]