



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: AP000000001117

[REDACTED]
[REDACTED]
[REDACTED]

Dear [REDACTED]. [REDACTED],

On December 18, 2014, you appeared by telephone at a hearing on your appeal of NY State of Health Marketplace’s November 26, 2014 preliminary 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 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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[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 [REDACTED] and [REDACTED] were eligible for an advanced premium tax credit of up to \$316.00 per month as of November 26, 2014?

Did the Marketplace properly determine that [REDACTED] and [REDACTED] were not eligible for cost-sharing reductions or Medicaid as of November 26, 2014?

Procedural History

On November 6, 2014, and November 20, 2014, the Marketplace sent you notices to update the information on your NY State of Health account by December 15, 2014, to renew your health coverage for 2015.

On November 26, 2014, you updated your Marketplace account. The Marketplace prepared a preliminary eligibility determination stating that based on an annual household income of \$56,446.00, you were eligible for an advance premium tax credit of up to \$316.00 per month. You spoke with the Marketplace's Account Review Unit and appealed that determination.

On November 27, 2014, the Marketplace issued an eligibility determination stating that based on an annual household income of \$56,446.00, you are eligible for an advance premium tax credit of up to \$316.00 per month. The determination also states that you are not eligible for cost-sharing reductions and Medicaid because your household income is over the allowable income limit.

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On December 18, 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 renewed your health insurance through NY State of Health for yourself and spouse on November 26, 2014 (Marketplace Application).
- 2) You plan on filing a 2014 and 2015 federal income tax return (Marketplace Application; 12/18/2014 Testimony)
- 3) You plan on filing each tax return with the tax status of married filing jointly with your spouse, [REDACTED], and claiming one dependent on each tax return (Marketplace Application; 12/18/2014 Testimony).
- 4) Your 2015 expected household income is \$56,446.00. [REDACTED] expects \$14,638.00 and [REDACTED] expects \$41,808.00 in earned income. Your dependent has an expected income of \$0.00 (Marketplace Application).
- 5) You are currently employed at [REDACTED]. and have been employed there since July 2014 (12/18/2014 Testimony).
- 6) You earn \$563.00 biweekly from [REDACTED]. (Marketplace Application; 12/18/2014 Testimony).
- 7) Your spouse is currently employed at [REDACTED] and has been employed there since January 2014 (12/18/2014 Testimony).
- 8) Your spouse earns \$804.00 weekly from [REDACTED] (Marketplace Application; 12/18/2014 Testimony).
- 9) You currently reside in Rockland County, NY.
- 10) According to your November 26, 2014 Marketplace application, you are currently receiving Medicaid benefits.

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 2014 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

(see 26 USC § 36B, 26 CFR § 1.36B-3).

For annual household income in the range of at least 250% but less than 300% of the 2015 FPL, the expected contribution is between 8.10% and 9.56% of the household income (see 26 CFR § 1.36B-3T(g)(1), (Rev. Proc. 2014-37)).

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 \$19,790.00 for a three-person household (79 Fed. Reg. 3593, 3593).

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 percent 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:

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)).

Financial eligibility for Medicaid for applicants who are currently receiving Medicaid benefits is based on current monthly household income and family size (42 CFR § 435.603(h)(2); State Plan Amendment (SPA) 13-0055-MM3, as approved by the US Department of Health and Human Services, March 19, 2014).

Legal Analysis

According to your November 26, 2014 Marketplace application and testimony, you are a member of a three-person tax household in 2015. You expect to file as married filing jointly and claim one dependent on that federal income tax return.

A three-person household may qualify for an advance premium tax credit (APTC) if the annual household income is between \$27,311.00 (138% 2014 FPL) and \$79,160.00 (400% 2014 FPL).

According to your November 26, 2014 Marketplace application, your 2015 expected household income is \$56,446.00. [REDACTED] expects \$14,638.00 and [REDACTED] expects \$41,808.00 in earned income. Your dependent has an expected income of \$0.00.

This supports a finding that your expected 2015 income is \$56,446.00, which is the household income used for the November 26, 2014 preliminary determination.

An annual household income of \$56,446 equals 285.22% of the 2014 FPL for a three-person household. At 285.22% of the FPL, the expected contribution to the cost of the health insurance premium is 9.13% of income, or \$429.39 per month.

The maximum amount of APTC that can be authorized equals the cost of the second lowest cost silver plan in your county for a couple (\$744.81) minus your expected contribution (\$429.39 per month), which equals \$315.42 per month.

Therefore, the Marketplace correctly computed your APTC, to the nearest dollar to be approximately \$316.00 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 \$56,446.00 is 285.22% of the 2014 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 \$27,311.00 for a three-person household. Since \$56,446.00 is 206.68% of the 2014 FPL for a household of three, the Marketplace properly found you to be ineligible for Medicaid on an expected annual income basis, using the information provided in your application.

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 \$2,276.00 per month for a three-person household.

Based on your credible testimony, you have been employed at [REDACTED] & [REDACTED] since July 2014, earning \$563.00 biweekly. Your spouse has been employed at [REDACTED] since January 2014, earning \$804.00 weekly. This would make your monthly income approximately \$4,342.00.

Since your monthly income exceeds the \$2,276.00 monthly maximum to be eligible for Medicaid, the Marketplace properly found you to be ineligible for Medicaid coverage based on the information provided in your application.

Since the November 27, 2014 determination properly stated that, based on the information you provided, you were eligible for an APTC of up to \$316.00 per month, that you were not eligible for cost-sharing reductions and not eligible for Medicaid, it is correct and is AFFIRMED.

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.

██ remain eligible for an advance premium tax credit of up to \$316.00 per month.

██ remain 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).

A Copy of this Decision Has Been Provided To:

[REDACTED]
[REDACTED]
[REDACTED]