



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

Notice of Decision

Decision Date: April 16, 2015

NY State of Health Number: [REDACTED]
Appeal Identification Number: AP000000001287

[REDACTED]
[REDACTED]
[REDACTED]

Dear [REDACTED],

On January 27, 2015, you appeared by telephone at a hearing on your appeal of NY State of Health Marketplace's December 29, 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).

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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Issue

The issue presented for review by the Appeals Unit of NY State of Health is:

Did the Marketplace properly determine on December 28, 2014 that you were not eligible to receive financial assistance effective February 1, 2015?

Procedural History

The Marketplace received your modified application for health insurance for 2015 on December 28, 2014, in which you attested to an expected yearly income of \$78,546.01. The Marketplace made a preliminary determination that, with an attested household income of \$78,546.01, you were not eligible for financial assistance effective February 2, 2015.

On December 29, 2014, the Marketplace issued a notice of eligibility redetermination on your December 28, 2014 application. It stated that you were eligible to purchase a qualified health plan at full cost but not eligible to receive financial assistance in the form of an advance premium tax credit (APTC), cost sharing reductions (CSR), or Medicaid.

That same day, you spoke with the Marketplace's Account Review Unit to appeal the December 29, 2014 eligibility redetermination insofar as you were found not eligible for an APTC to help pay for your health insurance.

On January 7, 2015, the Marketplace issued a notice of eligibility redetermination on your January 6, 2015 application. It stated that, with an attested household income of \$29,175.00, you were eligible for APTC and CSR but not Medicaid, effective February 1, 2015.

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On January 27, 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 are single, have no children, and currently live with your parents and two brothers.
- 2) You testified that you expect to file as "single" on your U.S. Income Tax return for the 2015 tax year and claim no dependents.
- 3) You testified that you are seeking health insurance coverage only for yourself.
- 4) In your December 28, 2014 application, you attested to earning \$3,021.00 once every two weeks. However, you also attested to current monthly income of \$1,702.50.
- 5) You testified that while your gross income of \$3,021.00 every two weeks was correctly entered in this application, you inadvertently did not include details regarding the business expense deductions you expect to claim for 2015, which you believe will be approximately \$58,116.01 for the whole year. Instead, you merely reduced your current monthly income to \$1,702.50.
- 6) On December 29, 2014, the Marketplace determined you eligible to enroll in a plan through the Marketplace, but also found that you were not eligible for financial assistance based on your attested expected annual income of \$78,546.01.
- 7) You testified, and the record reflects, that you have since modified your application and have subsequently been found eligible for an advance premium tax credit (APTC) and cost sharing reductions (CSR) as of February 1, 2015.
- 8) You testified that you are satisfied with the January 7, 2015 determination insofar as it finds you eligible for APTC and CSR but want APTC applied to your January health insurance premium as well.
- 9) According to your application, you live in Dutchess 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 (QHP) and (1) expects to have a household income between 138% and 400% of the applicable 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)).

In an analysis of APTC eligibility, the determination is based on the FPL for the first day of the open enrollment period of the benefit year for which coverage is requested (45 CFR §§ 155.300(a), 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 (79 Fed. Reg. 3593, 3593).

APTC that is based on an eligibility redetermination begins on the first day of the month following the date of the Marketplace notice in which it is awarded (45 CFR 155.330(e)(1)(ii)).

People who use the APTC to help pay health insurance premiums must file a federal tax return and reconcile their expected income (stated on the Marketplace application) with their actual income (stated on their income tax return). Those who take less tax credit in advance than they claim on the tax return may have their taxes reduced or get the rest of the credit as an income tax refund. Those who take more tax credit in advance than they can claim on their tax return will owe the difference as additional income taxes (26 CFR § 1.36B-4).

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 first day of the open enrollment period of the benefit year for which coverage is requested, and (4) is enrolled in a silver-level QHP (45 CFR § 155.300(a), 45 CFR § 155.305(g)(1)).

Medicaid

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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 FPL for the applicable family size (42 CFR §§ 435.119(b), 435.911(b)(1), 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).

Legal Analysis

The issue raised on appeal is whether the Marketplace properly determined that as of December 29, 2014, you were not eligible for financial assistance effective February 1, 2015.

In the application that was submitted on December 28, 2014, you attested to an expected yearly income of \$78,546.01, and the eligibility determination relied upon that information.

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

A one-person household may qualify for an advance premium tax credit (APTC) if the annual household income is between \$16,104.00 (138% 2014 FPL) and \$46,680.00 (400% 2014 FPL).

An annual household income of \$78,546.01 equals 673.06% of the 2014 FPL for a one-person household. Therefore, because your 2015 expected yearly income exceeds \$46,680.00 (400% 2014 FPL), the Marketplace correctly determined that you were not eligible for APTC.

Cost sharing reductions (CSR) are available to a person who is eligible for APTC and has a household income no greater than 250% of the 2014 FPL. Since you were not eligible for APTC and a household income of \$78,546.01 is 673.06% of the 2014 FPL, you were correctly found to be ineligible for CSR.

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 \$78,546.01 is

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673.06% of the 2014 FPL, the Marketplace properly found you to be ineligible for Medicaid, using the information provided in your application.

Since the December 29, 2014 eligibility determination properly stated that, based on the information you provided to the Marketplace, you were not eligible for APTC, CSR, or Medicaid effective February 1, 2015, it is correct and is **AFFIRMED**.

Although you did not appeal the Marketplace's January 7, 2015 eligibility redetermination, you did raise a question on whether the APTC awarded in that notice could be applied to your January 2015 premium. APTC that is based on an eligibility redetermination begins on the first day of the month following the date of the Marketplace notice in which it is awarded. Since the APTC was awarded during January, it begins on February 1, 2015 and cannot be applied to your January 2015 premium. However, the difference between the premium tax credit you receive in advance, based on your estimated 2015 income, and the premium tax credit you can claim at the end of the year, based on your actual 2015 income, will be reconciled when you file your 2015 federal income tax return.

Decision

The December 29, 2014 eligibility determination is **AFFIRMED**.

Effective Date of this Decision: April 16, 2015

How this Decision Affects Your Eligibility

This Decision has no effect on any determination issued by the Marketplace after December 29, 2014.

Any difference between the premium tax credit you receive in advance is based on your estimated 2015 income, and the premium tax credit you can claim at the end of the year, based on your actual 2015 income, will be reconciled when you file your 2015 federal income tax return.

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.

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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 December 29, 2014 eligibility determination is AFFIRMED.

This Decision has no effect on any determination issued by the Marketplace after December 29, 2014.

Any difference between the premium tax credit you receive in advance is based on your estimated 2015 income, and the premium tax credit you can claim at the end of the year, based on your actual 2015 income, will be reconciled when you file your 2015 federal income tax return.

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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]