



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

## Notice of Decision

Decision Date: April 27, 2015

NY State of Health Number: [REDACTED]  
Appeal Identification Number: AP000000001322

[REDACTED]  
[REDACTED]  
[REDACTED]

Dear [REDACTED],

On January 29, 2015, you appeared by telephone at a hearing on your appeal of NY State of Health Marketplace's January 1, 2015 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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## Decision

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NY State of Health Number: [REDACTED]  
Appeal Identification Number: AP000000001322

[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 you are eligible for up to \$74.00 per month of advance premium tax credit effective February 1, 2015?

Did the Marketplace properly determine that you are not eligible to receive cost-sharing reductions effective February 1, 2015?

Did the Marketplace properly determine that you are not eligible for Medicaid effective February 1, 2015?

## Procedural History

The Marketplace received your application for health insurance on December 31, 2014.

On January 1, 2015, the Marketplace issued a notice of eligibility redetermination based on your December 31, 2014 application. It said that, effective February 1, 2015, you were eligible for up to \$74.00 per month in advance premium tax credit (APTC) but were not eligible for either cost-sharing reductions (CSR) or Medicaid. This determination relied on an expected 2015 income of \$37,440.01 as you attested in your application.

On January 2, 2015, you spoke with the Marketplace's Account Review Unit to appeal the January 1, 2015 eligibility determination.

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On January 29, 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 divorced and live with your two children and a grandchild.
- 2) You testified that you are seeking health insurance coverage only for yourself.
- 3) 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.
- 4) You testified that you live in Queens County, New York.
- 5) In your December 31, 2014 application, you attested to annual income of \$37,440.01.
- 6) You testified that you earned \$1,440.00 on a biweekly basis, that this figure was accurate when you submitted your December 31, 2014 application, and that it remains an accurate estimation of your expected income for 2015.
- 7) You testified your only source of income is your employer and that you are a salaried employee.
- 8) You testified that, based upon your biweekly earnings, you estimate that you received \$2,880.00 in earned income during December 2014.

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)).

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 2015 is set by federal law at 2.01% to 9.56% of household income (26 USC § 36B(b)(3)(A), 26 CFR § 1.36B-3(g)(1), IRS 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 \$11,670.00 for a one-person household (79 Fed. Reg. 3593, 3593).

For annual household income in the range of at least 300% but less than 400% of the 2014 FPL, the expected contribution is 9.56% of the household income (26 CFR § 1.36B-3(g)(1), 45 CFR § 155.300(a), IRS Rev. Proc. 2014-37).

### 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)).

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## 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 are eligible to receive up to \$74.00 per month in advance premium tax credit (APTC).

In the application that was submitted on December 31, 2014, you attested to an expected yearly income of \$37,440.01, and the eligibility determination relied upon that information.

According to the record, you are the only person in your tax household, because you expect to file a 2015 U.S. Income Tax return, file as single, and claim no dependents.

You reside in Queens County, where the second lowest cost silver plan that is available through the Marketplace for an individual costs \$371.75 per month.

An annual household income of \$37,440.01 is 320.82% of the 2014 federal poverty level (FPL) for a one-person household. At 320.82% of the FPL, the expected contribution to the cost of the health insurance premium is 9.56% of income, or \$298.27 per month.

The maximum amount of APTC that can be awarded equals the cost of the second lowest cost silver plan in your county (\$371.75 per month) minus your

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expected contribution (\$298.27 per month), which equals \$73.48 per month. Therefore rounding to the nearest dollar, you would be eligible for APTC of up to \$73.00 per month

The Marketplace computed your APTC by rounding \$73.48 to the next highest dollar, \$74.00. It therefore incorrectly calculated your APTC by \$1.00. However, since the APTC you were determined eligible for under the December 31, 2014 determination is not materially greater than your actual APTC eligibility, which was due to the rounding anomaly noted above, the difference is properly reconciled as a tax liability on a federal individual income tax return.

The second issue under appeal is whether the Marketplace properly determined that you are not eligible for cost-sharing reductions (CSR).

CSR is available to a person who has a household income no greater than 250% of the 2014 FPL. Since your household income is 320.82% of the 2014 FPL, you were correctly found to be not eligible for cost-sharing reductions.

The final issue under appeal is whether the Marketplace properly determined that you are not eligible 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 (MAGI) 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 \$37,440.01 is 320.82% 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 December 31, 2014 eligibility determination properly stated that, based on the information you provided to the Marketplace, you were eligible for an APTC up to \$74.00 per month and ineligible for both cost-sharing reductions and Medicaid, it is correct and is **AFFIRMED**.

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 \$1,342.05 per month. Since the credible evidence of record indicates your income was \$2,880.00 for December 2014, you did not qualify for Medicaid on the basis of monthly income when you submitted your December 31, 2014 application.

## **Decision**

The January 1, 2015 eligibility determination is AFFIRMED.

**Effective Date of this Decision:** April 27, 2015

## **How this Decision Affects Your Eligibility**

You continue to be eligible to receive up to \$74.00 per month of advance premium tax credit (APTC).

Since the difference between the approved and actual APTC is minimal, and due to a rounding anomaly, the difference is properly reconciled as a tax liability on your federal individual income tax return.

You are not eligible for cost sharing reductions.

You are not eligible for Medicaid.

## **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.

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## **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  
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Albany, NY 12211
- By fax: 1-855-900-5557

## **Summary**

The January 1, 2015 eligibility determination is AFFIRMED.

You continue to be eligible to receive up to \$74.00 per month of advance premium tax credit (APTC).

Since the difference between the approved and actual APTC is minimal, and due to a rounding anomaly, the difference is properly reconciled as a tax liability on your federal individual income tax return.

## **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]