



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

Notice of Decision

Decision Date: May 14, 2015

NY State of Health Number: [REDACTED]
Appeal Identification Number: AP000000001379

[REDACTED]
[REDACTED]
[REDACTED]

Dear [REDACTED],

On February 3, 2015, you appeared by telephone at a hearing on your appeal of NY State of Health Marketplace's December 22, 2014 and December 30, 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).

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Issues

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

Did the Marketplace properly disenroll you from Medicaid effective December 31, 2014?

Did the Marketplace properly determine that you were eligible to receive an advance premium tax credit of up to \$284.00 per month, eligible to receive cost-sharing reductions, and ineligible for Medicaid, effective February 1, 2015?

Procedural History

On February 8, 2014, the Marketplace issued a notice of eligibility stating that you were eligible for Medicaid effective January 1, 2014.

On December 4, 2014, the Marketplace issued a notice advising you to renew your Marketplace coverage. It stated that the Marketplace "did not have enough information from state and federal data sources to determine if you can get help paying for your insurance or what coverage you can have next year." It indicated that if you did not update your account by December 15, 2014 you could lose your financial assistance.

Your account was not updated by December 15, 2014.

On December 22, 2014, the Marketplace issued a notice of eligibility redetermination, stating that because you had not updated your account within the required timeframe, you were not eligible for Medicaid, Child Health Plus, tax

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credits, or cost-sharing reductions. You were also determined to be ineligible to enroll in qualified health plan (QHP) at full cost through the Marketplace.

On December 26, 2014, the Marketplace notified you that your Medicaid Fee-For-Service coverage would be terminated as of December 31, 2014.

On December 29, 2014, the Marketplace received a revised application in which you attested to an increase in your expected yearly income to \$20,424.00.

On December 30, 2014, the Marketplace issued a notice of eligibility redetermination based on your December 29, 2014 application. It stated that effective February 1, 2015 you were eligible to enroll in a QHP; eligible to receive up to \$284.00 per month in advance premium tax credit (APTC); and, if you selected a silver-level plan, eligible for cost-sharing reductions. You were found ineligible for Medicaid.

On January 7, 2015, you spoke with the Marketplace's Account Review Unit to appeal (1) the December 31, 2014 termination of your enrollment in Medicaid and (2) the December 30, 2014 eligibility redetermination.

On February 3, 2015, you had a telephone hearing with a Hearing Officer from the Marketplace's Appeals Unit. The record was developed during the hearing and remained open because the Hearing Officer directed you to provide (1) benefit award letters issued to you by the Social Security Administration (SSA) reflecting your monthly award during 2014 and 2015, and (2) earning statements reflecting income you received during December 2014 and January 2015. The record was to be closed 15 days after the hearing date, or upon the receipt of the above referenced documents, whichever occurred earlier. No documents were received from you by February 18, 2015.

Accordingly, the record was closed on February 18, 2015.

Findings of Fact

A review of the record supports the following findings of fact:

- 1) You testified that you have been divorced since 1990.
- 2) You testified that you currently live alone and have no children.
- 3) You testified that you are seeking health insurance coverage only for yourself.
- 4) You testified that you expect to file a 2015 U.S. income tax return, file as "single," and claim no dependents.

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- 5) You live in Queens County, New York.
- 6) You have chosen to receive electronic notices from the Marketplace.
- 7) On December 4, 2014, the Marketplace issued a notice requesting that you update your account by December 15, 2014 in order to determine whether you would continue to qualify for financial assistance.
- 8) You testified that you checked your e-mail on December 4, 2014 upon receiving the notification of the renewal request, but must have deleted the Marketplace e-mail. You further testified that you do not recall receiving subsequent e-mails related to disenrollment.
- 9) You testified that you were ill and missed the deadline for renewing your coverage and finally updated your account on December 29, 2014 when you realized that you had been disenrolled from your Medicaid coverage.
- 10) Your December 29, 2014 application indicated that you earn approximately \$395.00 per month. You testified that you receive this income from [REDACTED].
- 11) Your December 29, 2014 application indicated that you receive \$1,307.00 per month in SSA benefits. You testified further that this was your monthly benefit during 2014, and that you expect to receive \$1,329.00 per month during 2015 as a result of a cost-of-living adjustment.

Conflicting evidence, if any, was considered and found to be less credible than the evidence noted above.

Applicable Law and Regulations

Medicaid

In general, the Marketplace must review Medicaid eligibility once every twelve months or “whenever it receives information about a change in a beneficiary’s circumstances that may affect eligibility” (42 CFR § 435.916(a)(1), (d)). The Marketplace must make its “redetermination of eligibility without requiring information from the individual if able to do so based on reliable information contained in the individual's account or other more current information available to the agency, including but not limited to information accessed through any data bases accessed by the agency” (42 CFR § 435.916(a)(2)).

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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 (MAGI) that is at or below 138% of the federal poverty level (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 can be based on current monthly household income and family size (42 CFR § 435.603(h)(2); State Plan Amendment (SPA) 13-0055-MM3, as approved March 19, 2014).

Qualified Health Plan Effective Dates

For the benefit year beginning January 1, 2015, qualified health plan (QHP) coverage takes effect on January 1, 2015 for plans selected in the Marketplace on or before December 20, 2014 (45 CFR §155.410(f)(1); NY State of Health Extends December 15 Enrollment Deadline, <http://info.nystateofhealth.ny.gov/news/press-release-ny-state-health-extends-december-15-enrollment-deadline> [last updated December 12, 2014]). For plans selected after December 20 but on or before January 15, 2015, coverage takes effect February 1, 2015 (45 CFR § 155.410(f)).

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

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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 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).

For annual household income in the range of at least 150% but less than 200% of the 2014 FPL, the expected contribution is between 4.02% and 6.34% 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 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)).

Legal Analysis

The first issue is whether the Marketplace properly disenrolled you from Medicaid as of December 31, 2014.

The Marketplace must redetermine a Medicaid beneficiary's eligibility every 12 months. Since your Medicaid eligibility became effective on January 1, 2014, the Marketplace was required to redetermine your eligibility for Medicaid as of January 1, 2015.

As required, the Marketplace attempted to review your eligibility using information from federal and state data sources. When that information was insufficient to permit a timely redetermination of your eligibility, the Marketplace advised you to

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update your application by December 15, 2014. This deadline was extended until December 20, 2014, but you did not provide the requested income information until December 29, 2014; the Marketplace lacked the information it needed to make a determination that would take effect on January 1, 2015. Therefore, your 2014 Medicaid coverage properly ended on December 31, 2014 and the effective date of the determination made on your December 29, 2014 application is February 1, 2015.

Since the December 26, 2014 notice correctly stated that your 2014 Medicaid eligibility ended December 31, 2014, it is correct and is AFFIRMED.

The second issue is whether the Marketplace correctly determined the amount of your advance premium tax credit (APTC).

In the application that you submitted on December 29, 2014, you attested to an expected yearly income of \$20,424.00, and the eligibility determination relied upon that information.

According to the record, you are the only person in your tax household, since 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 \$20,424.00 is 175.01% of the 2014 federal poverty level (FPL) for a one-person household. At 175.01% of the FPL, the expected contribution to the cost of the health insurance premium is 5.18% of income, or \$88.16 per month.

The maximum amount of APTC that can be authorized equals the cost of the second lowest cost silver plan in your county (\$371.75 per month) minus your expected contribution (\$88.16 per month), which equals \$283.59 per month. Therefore, rounding to the nearest dollar, the Marketplace correctly found you eligible for an APTC of up to \$284.00 per month.

The third issue is whether the Marketplace properly determined that you are 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 175.01% of the 2014 FPL, you were correctly found to be eligible for CSR.

The final issue is whether the Marketplace properly determined that you are not eligible for Medicaid on the information in your December 29, 2014 application.

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 \$20,424.00 is 175.01% of the 2014 FPL, the Marketplace properly found you to be not eligible for Medicaid on an expected annual income basis, using the information provided in your application.

Since the December 30, 2014 notice of eligibility determination properly stated that, based on the information you provided to the Marketplace, you were eligible for an APTC up to \$284.00 per month, eligible for CSR, and not eligible for Medicaid, it is correct and is AFFIRMED.

Decision

The December 26, 2014 notice is AFFIRMED.

The December 30, 2014 notice of eligibility determination is AFFIRMED.

Effective Date of this Decision: May 14, 2015

How this Decision Affects Your Eligibility

This decision does not change your eligibility.

Your 2014 Medicaid eligibility ended as of December 31, 2014.

Effective February 1, 2015, you are eligible for up to \$284.00 per month of advance premium tax credit and, if you select a silver-level plan, 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.

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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 26, 2014 notice is AFFIRMED.

The December 30, 2014 notice of eligibility determination is AFFIRMED.

Your 2014 Medicaid eligibility ended as of December 31, 2014.

Effective February 1, 2015, you are eligible for up to \$284.00 per month of advance premium tax credit and, if you select a silver-level plan, cost-sharing reductions.

You are not eligible for Medicaid.

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Legal Authority

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A Copy of this Decision Has Been Provided To:

[REDACTED]
[REDACTED]
[REDACTED]