



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

Notice of Decision

Decision Date: August 12, 2015

NY State of Health Number: [REDACTED]
Appeal Identification Number: AP000000001696

[REDACTED]

Dear [REDACTED],

On February 26, 2015, you appeared by telephone at a hearing on your appeal of NY State of Health Marketplace's February 5, 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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Issue

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

Did the Marketplace properly determine that you were eligible for up to \$23.00 per month in advance premium tax credits and cost-sharing reductions, effective March 1, 2015?

Procedural History

On February 4, 2015, you spoke with the Marketplace's Account Review Unit and appealed your eligibility determination insofar as it did not approve an advance premium tax credit of more than \$23.00 per month and did not approve cost-sharing reductions.

On February 5, 2015, the Marketplace issued a notice of eligibility determination stating that you were eligible for an advance premium tax credit of up to \$23.00 per month but that you were not eligible for cost-sharing reductions or Medicaid. This determination was based on an attested household income of \$45,402.80.

On February 26, 2015, you had a telephone hearing with a Hearing Officer from the Marketplace's Appeals Unit. The hearing record was developed and closed that same day.

Findings of Fact

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

- 1) You are married, and your spouse is the only other member of your household (2/4/15 application; 2/26/15 testimony).
- 2) You expect to file your 2015 federal income tax return as Married, Filing Jointly (2/4/15 application).
- 3) You expect to earn \$26,000.00 during 2015 (2/4/15 application; 2/26/15 testimony).
- 4) Your spouse expects to receive \$19,492.80 in Social Security benefits during 2015 (2/4/15 application; 2/26/15 testimony).
- 5) You applied for health insurance through the Marketplace, but your spouse does not need coverage through the Marketplace.
- 6) You reside in Sullivan County, New York (2/4/15 application; 2/26/15 testimony).

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)).

Eligibility for an APTC is based on the taxpayer's modified adjusted gross income as defined in the federal tax code (45 CFR 155.300(a)). The term "modified adjusted gross income" means adjusted gross income increased by (1) any income that was excluded under 26 USC § 911 for United States citizens or residents living abroad, (2) tax-exempt interest received or accrued, and (3) social security benefits that were excluded from gross income under 26 USC § 86 (see 26 USC § 36B(d)(2)(B), 26 CFR § 1-36B-1(e)(2)).

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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-3T(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 \$15,730.00 for a two-person household (79 Fed. Reg. 3593, 3593).

For annual household income in the range of at least 250% but less than 300% of the 2014 FPL, the expected contribution is between 8.10% and 9.56% of the household income (26 CFR § 1.36B-3T(g)(1), 45 CFR § 155.300(a), IRS Rev. Proc. 2014-37).

Cost-Sharing Reductions

Cost-sharing reductions 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

The issue under review is whether the Marketplace properly determined that you were eligible for an advance premium tax credit (APTC) of up to \$23.00 and ineligible for cost-sharing reductions.

You are married and expect to file your 2015 federal income tax return as Married, Filing Jointly. Therefore, you are in a two-person tax household.

In your February 4, 2015 application, you attested to expected 2015 household income of \$45,402.80, and the Marketplace relied upon that information to make the eligibility determination. This household income is consistent with of your expected earnings of \$26,000.00 and your spouse's expected Social Security benefits of \$19,402.80.

You reside in Sullivan County, where the second lowest cost silver plan available during 2015 for an individual costs \$372.38 per month.

An annual income of \$45,402.80 is 288.64% of the 2014 federal poverty level (FPL) for a two-person household. At 288.64% of the FPL, the expected contribution to the cost of the health insurance premium is 9.23% of income, or \$349.22 per month.

The maximum amount of APTC that can be approved equals the cost of the second lowest cost silver plan available through the Marketplace for an individual plus one dependent in your county (\$372.38 per month) minus your expected contribution (\$349.22 per month), which equals \$23.16 per month. Rounded to the nearest dollar, the Marketplace correctly determined your APTC to be \$23.00 per month.

Cost-sharing reductions are available to a person who is eligible to enroll in a qualified health plan through the Marketplace, meets the requirements to receive APTC, is expected to have an annual household income that does not exceed 250% of the FPL for the plan year coverage is requested, and is enrolled in a silver-level qualified health plan. Since your household income is 288.64% of the FPL, you are not entitled to cost-sharing reductions.

Since the February 5, 2015 notice of eligibility determination correctly states that you are entitled to APTC of up to \$23.00 per month and ineligible for cost-sharing reductions, it is correct and is AFFIRMED.

Decision

The February 5, 2015 notice of eligibility determination is AFFIRMED.

Effective Date of this Decision: August 12, 2015

How this Decision Affects Your Eligibility

This decision does not change your eligibility.

You are eligible for an advance premium tax credit of \$23.00 per month, ineligible for cost-sharing reductions, and ineligible 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.

If You Have Questions about this Decision (Customer Service Resources):

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- By calling the Customer Service Center at 1-855-355-5777
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NY State of Health Appeals
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Summary

The February 5, 2015 notice of eligibility determination is AFFIRMED.

This decision does not change your eligibility.

You are eligible for an advance premium tax credit of \$23.00 per month, ineligible for cost-sharing reductions, and ineligible for 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:

