



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

Notice of Decision

Decision Date: June 16, 2015

NY State of Health Number: [REDACTED] (active), [REDACTED] (inactive)
Appeal Identification Number: AP000000001707

[REDACTED]
[REDACTED]
[REDACTED]

Dear [REDACTED],

On March 5, 2015, you appeared by telephone at a hearing on your appeal of NY State of Health Marketplace's December 30, 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 letter.

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 to receive an advance premium tax credit of up to \$172.00 per month and for cost-sharing reductions effective February 1, 2015?

Procedural History

On December 30, 2014, the Marketplace issued a notice of eligibility determination based on your December 29, 2014 application. The notice stated that you were eligible to receive up to \$172.00 per month in advance premium tax credit (APTC) and, if you selected a silver-level plan, cost-sharing reductions (CSR). The notice further stated that you were not eligible for Medicaid.

On February 5, 2015, you spoke with the Marketplace's Account Review Unit to appeal the December 30, 2014 eligibility determination insofar as you were found eligible to receive an APTC of \$172.00 per month.

On March 5, 2015, 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:

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- 1) You testified that you are unmarried and live with your [REDACTED] son.
- 2) You testified that you were seeking health insurance coverage only for yourself because your son was covered under a Child Health Plus plan through your local Department of Social Services.
- 3) You testified that you expect to file your 2015 tax return as “single” and claim your son as your sole dependent.
- 4) You testified that you are currently employed by [REDACTED] and earn approximately \$27,872.00 per year, which is based on an earning rate of \$13.40 per hour over a 40 hour work week.
- 5) You currently reside in [REDACTED] County, New York.
- 6) You testified that it is difficult for you to afford the monthly premiums and deductibles of plans available through the Marketplace, even after applying the maximum tax credit of \$172.00 per month, based on your current income level.

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

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(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).

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 (see 26 CFR § 1.36B-3(g)(1), 45 CFR § 155.300(a), 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).

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)).

Legal Analysis

At issue is whether the Marketplace properly determined that you were eligible to receive an advance premium tax credit (APTC) of up to \$172.00 per month and that you were eligible for cost-sharing reductions (CSR).

In the application that was submitted on December 29, 2014, you credibly attested to an expected yearly income of \$27,872.00. You also indicated within this application that your son receives \$50.00 per month of income. However, since your son's expected yearly income for 2015 is anticipated to be \$600.00 (\$50 X 12 months), which is less than the applicable federal standard deduction (\$6,300.00), his income was properly not included in your MAGI-based income.

According to the record, you are in a two-person tax household, because you expect to file a 2015 U.S. Income Tax Return, file as "single" and claim your son as a dependent.

You reside in █████ County, where the second lowest cost silver plan that is available through the Marketplace for an individual costs \$295.03 per month.

An annual household income of \$27,872.00 is 177.19% of the 2014 federal poverty level (FPL) for a two-person household. At 177.19% of the FPL, the expected contribution to the cost of the health insurance premium is 5.28% of income, or \$122.64 per month.

The maximum amount of APTC that can be awarded equals the cost of the second lowest cost silver plan in your county (\$295.03 per month) minus your expected contribution (\$122.64 per month), which equals \$172.39 per month. Therefore, rounding to the nearest dollar, the Marketplace correctly determined your APTC to be \$172.00 per month.

CSR is available to a person with a household income no greater than 250% of the 2014 FPL. Since your household income is 177.19% of the 2014 FPL, you were correctly found to be eligible for CSR.

Decision

The December 30, 2014 eligibility determination is AFFIRMED.

Effective Date of this Decision: June 16, 2015

How this Decision Affects Your Eligibility

The decision does not change your eligibility. You continue to be eligible to receive an advance premium tax credit of up to \$172.00 per month, and if you select a silver-level plan, eligible for cost-sharing reductions, effective February 1, 2015.

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.

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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
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- By fax: 1-855-900-5557

Summary

The December 30, 2014 eligibility determination is AFFIRMED.

The decision does not change your eligibility. You continue to be eligible to receive an advance premium tax credit of up to \$172.00 per month, and if you select a silver-level plan, eligible for cost-sharing reductions, beginning February 1, 2015.

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]