



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

Notice of Decision

Decision Date: July 10, 2015

NY State of Health Number: [REDACTED]
Appeal Identification Number: AP000000001736

[REDACTED]
[REDACTED]
[REDACTED]

Dear [REDACTED],

On March 18, 2015, you appeared by telephone at a hearing on your appeal of NY State of Health Marketplace's February 10, 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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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 an advance premium tax credit of up to \$205.00 per month?

Did the Marketplace properly determine that you are eligible for cost-sharing reductions?

Did the Marketplace properly determine that you are not eligible for Medicaid based on a household income of \$20,628.00?

Procedural History

The Marketplace received your application for health insurance on November 22, 2014.

Between November 22, 2014 and February 9, 2015, you modified your application several times.

On February 9, 2015, the Marketplace prepared a preliminary eligibility determination in your case. It stated that you are eligible to enroll in a qualified health plan through the Marketplace and receive an advance premium tax credit of up to \$205.00 per month. It also stated that you are eligible to receive cost-sharing reductions if you pick a silver-level health insurance plan. This eligibility

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determination was based on an expected household income of \$20,628.00 for 2015.

Also on February 9, 2015, you spoke with the Marketplace's Account Review Unit and appealed that preliminary determination insofar as it did not approve an advance premium tax credit of more than \$205.00 per month and did not determine you Medicaid eligible.

On February 10, 2015, the Marketplace issued an eligibility determination notice that reflected the February 9, 2015 preliminary eligibility determination. The notice further stated that you are not eligible for Medicaid because your household income of \$20,628.00 is over the allowable income limit of \$16,105.00. This eligibility was effective March 1, 2015.

On March 9, 2015, you were scheduled to have a telephone hearing with a Hearing Officer from the Marketplace's Appeals Unit. At that time, the Marketplace's Appeals Unit experienced technical difficulties and your hearing was rescheduled to March 18, 2015.

On March 18, 2015, you had a telephone hearing with a Hearing Officer from the Marketplace's Appeals Unit. Under sworn testimony, you waived formal notice and proceeded with the hearing. The record was developed during the hearing and left open for up to 15 days to provide you an opportunity to submit evidence to support your position.

The Marketplace's Appeals Unit did not receive your supporting evidence within 15 days and the record was closed on April 2, 2015.

Findings of Fact

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

- 1) You testified, and the record reflects, that you expect to file your 2015 federal income tax return as single and claim no dependents.
- 2) According to the February 9, 2015 application, you attested to an expected household income of \$20,628.00 for the 2015 tax year. You testified that this is not an accurate reflection of your expected income because your income fluctuates monthly. You provided evidence that you earn \$10.51 per hour. You testified that you work between 32 and 36 hours per week.
- 3) You testified that you were sick during the month of February and were unable to work normal hours. You further testified that, for the month of

February 2015, you earned approximately \$1,100.00 before taxes are deducted.

- 4) You testified that you do not have any other sources of income.
- 5) You testified that you may claim a student loan interest deduction for the 2015 tax year, but no other deductions.
- 6) The record reflects that you reside in Erie County, NY.
- 7) You testified that you cannot afford a monthly insurance premium after paying your necessary living expenses.

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), 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-3T(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)).

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 2015 FPL, which is \$11,770.00 for a one-person household (80 Fed. Reg. 3236, 3237)

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 were eligible for an advance premium tax credit (APTC) of up to \$ 205.00 per month.

In the application that was submitted on February 9, 2015, you attested to an expected yearly income of \$20,628.00, and the eligibility determination relied upon that information.

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

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

An annual income of \$20,628.00 is 176.76% of the 2014 federal poverty level (FPL) for a one-person household. At 176.76% of the FPL, the expected contribution to the cost of the health insurance premium is 5.26% of income, or \$90.42 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 in your county (\$295.03 per month) minus your expected contribution (\$90.42 per month), which equals \$204.61 per month. Therefore, rounding to the nearest dollar, the Marketplace correctly determined your APTC to be \$205.00 per month.

The second issue is whether the Marketplace properly determined that you were eligible for cost-sharing reductions (CSR).

CSR is available to a person who has a household income no greater than 250% of the FPL. Since a household income of \$20,628.00 is 176.76% of the 2014 FPL, the Marketplace correctly found you to be eligible for CSR.

The third issue is whether the Marketplace properly determined that you were ineligible 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 \$11,770.00 for a one-person household. Since \$20,628.00 is 175.3% of the 2015 FPL, the Marketplace properly found you to be ineligible for Medicaid on an expected annual income basis, using the information provided in your application.

However, at the hearing you testified that the income provided in the February 9, 2015 application is not an accurate reflection of your monthly income because your monthly income fluctuates. You further testified that you were sick during the month of February and earned approximately \$1,100.00 before taxes are deducted.

Financial eligibility for Medicaid for applicants who are not currently receiving Medicaid benefits can be based on current monthly household income and family size.

The Hearing Officer asked you to submit your paystubs for the month of February 2015 to verify your income for that month; however, the documents were not provided.

The record does not reflect how much income you received during February 2015. Therefore, there is insufficient information to allow the Marketplace to determine your Medicaid eligibility on the basis of monthly income.

Accordingly, the February 10, 2015 eligibility determination is AFFIRMED.

Decision

The February 10, 2015 eligibility determination is AFFIRMED.

Effective Date of this Decision: July 10, 2015

How this Decision Affects Your Eligibility

You remain eligible for an advance premium tax credit of up to \$205.00 per month and, if you select a silver-level plan, eligible for cost-sharing reductions.

You remain 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

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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 February 10, 2015 eligibility determination is AFFIRMED.

You remain eligible for an advance premium tax credit of up to \$205.00 per month and, if you select a silver-level plan, eligible for cost-sharing reductions.

You remain ineligible for Medicaid.

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]