



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

## Notice of Decision

Decision Date: June 26, 2015

NY State of Health Number: [REDACTED]  
Appeal Identification Number: AP000000001868

[REDACTED]  
[REDACTED]  
[REDACTED]

Dear [REDACTED],

On March 19, 2015, you appeared by telephone at a hearing on your appeal of NY State of Health Marketplace's February 3, 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: AP000000001868

[REDACTED]  
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[REDACTED]

## Issues

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

Did the Marketplace properly determine that, effective March 1, 2015, you and your wife are eligible to share up to \$399.00 per month in advance premium tax credit and ineligible for cost-sharing reductions as of February 3, 2015?

## Procedural History

The Marketplace received your updated 2015 application for health insurance on February 2, 2015.

On February 3, 2015, the Marketplace issued a disenrollment notice that your and your wife's coverage through a Medicaid Managed Care plan will end effective February 28, 2015.

On February 3, 2015, the Marketplace also issued a notice of eligibility redetermination that you and your wife are newly eligible to share up to \$399.00 advance premium tax credit effective March 1, 2015 and were ineligible for cost-sharing reductions and Medicaid because the household income you provided of \$50,290.01 was over the allowable income limits for each of these programs.

On February 24, 2015, you spoke to the Marketplace's Account Review Unit and appealed that eligibility redetermination.

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On February 25, 2015, the Marketplace sent you a letter confirming your bronze-level qualified health plan and monthly premium responsibly of \$262.12.

On March 19, 2015, you had a telephone hearing with a Hearing Officer from the Marketplace's Appeals Unit. The record was developed during the hearing and was 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 expect to file your 2015 federal income tax return as Married Filing Jointly and expect to claim one child as a dependent for the 2015 tax year.
- 2) You testified that you are currently employed and earn approximately \$48,490.01 per year before taxes are deducted and your wife expects to earn \$1,800.00, for a total household income of \$50,290.01
- 3) You currently reside in ██████ County, New York.
- 4) You testified that it is difficult for you to afford your monthly premiums based on your current household income and monthly living expenses, and you have not paid your premium responsibly for March 2015.

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

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- 1) the cost of the health insurance premium for the taxpayer's coverage family in the second lowest cost silver plan offered through the 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 is set by Federal law at 2.01% to 9.56% of annual household income (26 USC § 36B(b)(3)(A)).

For annual household income in the range of at least 250% but less than 300% of the FPL, the expected contribution is between 8.10% and 9.56% of the household income (see 26 CFR § 1.36B-3(g)(2), 45 CFR § 155.300(a)).

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 \$19,790.00 for a three-person household (78 Fed. Reg. 5182, 5183).

### 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)).

### Hardship Exemption

Under some circumstances, a person may receive an exemption from paying a penalty for not purchasing a qualified health plan. Such an exemption may be granted if that person can show that she experienced a financial hardship or has domestic circumstances that (1) caused an unexpected increase in essential expenses that prevented that person from obtaining health coverage under a QHP; (2) would have caused the person to experience serious deprivation of food, shelter, clothing or other necessities, as a result of the expense of purchasing health coverage under a QHP; or (3) prevented that person from obtaining coverage under a QHP (45 CFR § 155.605(a), (g)).

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NY State of Health currently defers to the U.S. Department of Health and Human Services (HHS) on the matter of hardship exemptions (see 45 CFR § 155.505(c)).

If you wish to be considered for a hardship exemption, which would exempt you from paying a penalty for not having health insurance, you can consult the Federal Marketplace website ([www.healthcare.gov](http://www.healthcare.gov)) for information and an application.

## Legal Analysis

At issue is whether the Marketplace properly determined that you and your wife were eligible to share an advance premium tax credit of up to \$399.00 per month and were not eligible for cost-sharing reductions.

In the application that was submitted on February 2, 2015, you attested to an expected yearly income of \$50,290.01, which is the sum of your attested salary (\$48,490.01) and your wife's expected 2015 income (\$1,800.00). The eligibility determination relied upon that information.

According to the record, there are three people in your tax household, you, your wife, and your dependent child.

You reside in █████ County, where the second lowest cost silver plan available for a couple through the Marketplace costs \$743.50 per month.

An annual income of \$50,290.01 is 254.12% of the 2014 federal poverty level (FPL) for a three-person household. At 254.12% of the FPL, the expected contribution to the cost of the health insurance premium is 8.22% of income, or \$344.47 per month.

The maximum amount of advance premium tax credit that can be approved equals the cost of the second lowest cost silver plan available through the Marketplace for a couple in your county (\$743.50 per month) minus your expected contribution (\$344.49 per month), which equals \$399.01 per month. Therefore, computing to the nearest dollar, the Marketplace correctly determined your advance premium tax credit to be \$399.00 per month.

Cost-sharing reductions are available to a person who has a household income no greater than 250% of the FPL. Since a household income of \$50,290.01 is 254.12% of the 2014 FPL, the Marketplace correctly found you to be ineligible for cost-sharing reductions.

However, you testified that you cannot afford to pay your health insurance premium and have not paid it for March 2015. If you wish to be considered for a hardship exemption,

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which would exempt you from paying a penalty for not having health insurance, you can consult the Federal Marketplace website ([www.healthcare.gov](http://www.healthcare.gov)) for more information and an application.

## **Decision**

The February 3, 2015 eligibility redetermination is **AFFIRMED**.

**Effective Date of this Decision:** June 26, 2015

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

This decision does not change your eligibility.

You and your wife remain eligible to share an advance premium tax credit of up to \$399.00 per month beginning March 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.

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  
P.O. Box 11729  
Albany, NY 12211
- By fax: 1-855-900-5557

## **Summary**

The February 3, 2015 eligibility redetermination is **AFFIRMED**.

This decision does not change your eligibility.

You and your wife remain eligible to share an advance premium tax credit of up to \$399.00 per month beginning March 1, 2015.

If you are interested in requesting a hardship exemption, you can find additional information and an application at the Federal Marketplace website ([www.healthcare.gov](http://www.healthcare.gov)).

## **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]