



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

Notice of Decision

Decision Date: August 14, 2015

NY State of Health Number: [REDACTED]
Appeal Identification Number: AP000000001901

[REDACTED]

Dear [REDACTED],

On March 26, 2015, you appeared by telephone at a hearing on your appeal of NY State of Health Marketplace's February 21, 2015 eligibility determination.

The attached 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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NY State of Health Number: [REDACTED]
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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 were eligible to receive an advance premium tax credit of up to \$296.00 per month and eligible for cost-sharing reductions effective April 1, 2015?

Did the Marketplace properly determine that you were not eligible for Medicaid?

Procedural History

On February 21, 2015, the Marketplace issued a notice of eligibility determination which stated that you were eligible to enroll in a qualified health plan (QHP); eligible to receive an advance premium tax credit (APTC) of up to \$296.00 per month; and, if you selected a silver-level plan, eligible for cost-sharing reductions (CSR), effective April 1, 2015. The notice also stated that you were not eligible for Medicaid because your income was over the allowable limit for that program. This determination was based, in part, on an annual household income of \$20,020.00.

On February 27, 2015, you spoke with the Marketplace's Account Review Unit to appeal the February 21, 2015 eligibility determination insofar as you were found ineligible for Medicaid.

On March 26, 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 as the Hearing Officer directed you to provide additional evidence

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to corroborate your testimony. You were directed to provide all earning statements you received from your employer during the month of February 2015 or, in the alternative, a letter from your employer reflecting this same information. The record was to be closed 15 days after the hearing date, or upon the receipt of the referenced documents, whichever occurred earlier.

On April 8, 2015 and April 10, 2015, you provided to the Appeals Unit via facsimile (1) a letter signed by your employer reflecting your gross income received on February 6, 2015 and February 13, 2015 and (2) copies of earnings statements with payment dates of February 20, 2015 and February 27, 2015

Since these documents were consistent with those requested by the Hearing Officer, the record was closed on April 10, 2015.

Findings of Fact

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

- 1) You testified that you are unmarried and live alone.
- 2) You testified that you are seeking health insurance coverage only for yourself under your Marketplace account.
- 3) You testified, and your application indicates, that you expect to file your 2015 taxes as "single" and claim no dependents.
- 4) You live in Suffolk County, New York.
- 5) In your February 20, 2015 application, you attested that you are employed by [REDACTED] that you are compensated at a rate of \$11.00 per hour, and that you typically work 35 hours per week. You testified during the hearing that this remained an accurate representation of your income for 2015.
- 6) You testified that you are paid weekly by your employer, and that your income fluctuates based on the number of hours you work during any given pay period.
- 7) On April 8, 2015 and April 10, 2015, you provided a signed letter from your employer reflecting that you received (1) \$328.72 on February 6, 2015 and (2) \$309.33 on February 13, 2015. At that time, you also provided earnings statements reflecting that you received (1) \$371.80 on February 20, 2015, and (2) \$435.93 on February 27, 2015.

- 8) You testified that you have been diagnosed with Type I diabetes, and the medications used to treat your condition are very expensive.
- 9) You testified that the premium amounts for plans available through the Marketplace, even after applying the maximum tax credit of \$296.00 per month, are unaffordable to you due in part to your monthly 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 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), 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 \$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)).

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 are eligible to receive an advance premium tax credit (APTC) of up to \$296.00 per month and cost-sharing reductions (CSR), effective April 1, 2015.

In the application that was submitted on February 20, 2015, you attested to an expected yearly income of \$20,020.00, 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 Suffolk County, where the second lowest cost silver plan that is available through the Marketplace for an individual costs \$379.93 per month.

An annual household income of \$20,020.00 is 171.55% of the 2014 federal poverty level (FPL) for a one-person household. At 171.55% of the FPL, the expected contribution to the cost of the health insurance premium is 5.02% of income, or \$83.75 per month.

The maximum amount of APTC that can be awarded equals the cost of the second lowest cost silver plan in your county (\$379.93 per month) minus your expected contribution (\$83.75 per month), which equals \$296.18 per month. Therefore, rounding to the nearest dollar, the Marketplace correctly found you eligible for an APTC of up to \$296.00 per month.

CSR is available to a person who has a household income no greater than 250% of the 2014 FPL. Since your household income is 171.55% of the 2014 FPL, you were correctly found to be eligible for CSR.

The final issue under appeal is whether the Marketplace properly determined that you are not eligible 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 \$20,020.00 is 170.09% 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, financial eligibility for Medicaid for applicants who are not currently receiving Medicaid benefits is based on current monthly household income and family size. To be eligible for Medicaid, you would need to meet the non-financial criteria and have an income no greater than 138% of the FPL, which is \$1,353.55 per month. You provided a signed letter from your employer reflecting that you received (1) \$328.72 on February 6, 2015 and (2) \$309.33 on February 13, 2015. You also provided earnings statements reflecting that you received (1) \$371.80 on February 20, 2015, and (2) \$435.93 on February 27, 2015.

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Since your income of \$1,445.78 for the month of February 2015 is greater than the \$1,353.55 monthly income limit for Medicaid, you did not qualify for Medicaid on the basis of monthly income when you submitted your application.

Since the February 21, 2015 eligibility determination properly stated that, based on the information you provided to the Marketplace, you were eligible for an APTC up to \$296.00 per month, eligible for CSR, but ineligible for Medicaid, it is correct and is AFFIRMED.

Decision

The February 21, 2015 eligibility determination is AFFIRMED.

Effective Date of this Decision: August 14, 2015

How this Decision Affects Your Eligibility

You continue to be eligible to receive up to \$296.00 per month of advance premium tax credit and, if you selected a silver-level plan, eligible for 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.

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)).

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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:
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- By fax: 1-855-900-5557

Summary

The February 21, 2015 eligibility determination is AFFIRMED.

You continue to be eligible to receive up to \$296.00 per month of advance premium tax credit and, if you selected a silver-level plan, eligible for cost-sharing reductions.

You are not eligible 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:

