



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

Notice of Decision

Decision Date: June 30, 2015

NY State of Health Number: [REDACTED]
Appeal Identification Number: AP000000002382

[REDACTED]
[REDACTED] [REDACTED] [REDACTED]
[REDACTED]

Dear [REDACTED],

On May 20, 2015, you appeared by telephone at a hearing on your appeal of NY State of Health Marketplace's January 25, 2015 notice of 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).

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Issue

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

Whether the Marketplace properly determined that you were eligible to receive no more than \$241.00 per month in advance premium tax credits, and not eligible for Medicaid, effective March 1, 2015?

Procedural History

On April 20, 2014, the Marketplace issued an eligibility determination notice stating that you were individually eligible for Medicaid, effective February 1, 2014, and that your enrollment in your Medicaid managed care plan would be effective March 1, 2014.

On December 16, 2014, the Marketplace issued a notice that stated it was time to renew your health insurance coverage for 2015, and that you could not be reenrolled in your current plan. You were newly eligible to receive up to \$220.62 per month in advance premium tax credit and for cost-sharing reductions, effective February 1, 2015. In order for your new plan to be in effect by February 1, 2015, you needed to update your account by January 15, 2015. These results were based on a finding that your annual household earnings for 2015 were estimated to be between \$21,707.00 and \$62,920.00.

No changes were made to account by January 15, 2015.

On January 25, 2015, the Marketplace issued a notice of eligibility redetermination, stating that you were eligible to receive up to \$241.00 per month

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in advance premium tax credit and for cost-sharing reductions, effective March 1, 2015. This was based on your reported annual household income of \$28,576.00.

On February 24, 2015, the Marketplace issued a notice confirming your enrollment in a new plan and stating that your insurance plan could start as early as April 1, 2015, if you paid your first month's premium.

On April 11, 2015, you requested a hearing on the amount of financial assistance for which you were eligible.

On May 20, 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 your annual earnings for 2015 were expected to be about \$348.00 per week, or \$18,096.00 annually, and that your wife expected to receive \$924.00 per month in Social Security benefits, or \$11,088.00 annually, for a total of \$29,184.00.
- 2) In the application you submitted on January 24, 2015, you attested to expected annual household earnings totaling \$28,576.00; \$17,680.00 from your income and \$10,896.00 in your wife's Social Security benefits.
- 3) You testified that you plan on filing your tax return for the upcoming year as married, filing jointly, and that you and your wife have no dependents.
- 4) Your wife is currently enrolled in health insurance outside of the Marketplace.

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),

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(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 \$15,730.00 for a two-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 \$15,930.00 for a two-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 \$241.00 per month.

When you did not respond to the notice regarding the renewal of your insurance, the Marketplace had to redetermine your eligibility for the upcoming year based on the information that was available from state and federal databases. It found that your annual income was \$28,576.00, and the eligibility determination relied upon that information. It is noted that this is the same income to which you attested in your January 24, 2015 application.

According to the record, you are in a two-person tax household, consisting of yourself and your wife.

You reside in New York County, where the second lowest cost silver plan available for an individual through the Marketplace costs \$371.75 per month.

An annual income of \$28,576.00 is 181.67% of the 2014 FPL for a two-person household. At 181.67% of the federal poverty level (FPL), the expected contribution to the cost of the health insurance premium is 5.49% of income, or \$130.74 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 (\$371.75 per month) minus your expected contribution (\$130.74 per month), which equals \$241.01 per month. Therefore, rounding to the nearest dollar, the Marketplace correctly determined your APTC to be \$241.00 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 \$28,576.00 is 181.67% 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 \$15,930.00 for a two-person household. Since \$28,576.00 is 179.38% 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.

Since the January 25, 2015 eligibility determination properly stated that, based on the information you provided, you were eligible for an APTC of up to \$241.00 per month, eligible for CSR, and not eligible for Medicaid, it is correct and is **AFFIRMED**.

Decision

January 25, 2015 eligibility determination is **AFFIRMED**.

Effective Date of this Decision: June 30, 2015

How this Decision Affects Your Eligibility

You remain eligible to receive up to \$241.00 per month in advance premium tax credit and eligible for cost-sharing reductions if you enroll in health insurance through the Marketplace.

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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):

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

Summary

January 25, 2015 eligibility determination is AFFIRMED.

You remain eligible to receive up to \$241.00 per month in advance premium tax credit and eligible for cost-sharing reductions if you enroll in health insurance through the Marketplace.

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Legal Authority

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A Copy of this Decision Has Been Provided To:

[REDACTED]
[REDACTED]
[REDACTED]