



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

Notice of Decision

Decision Date: November 09, 2015

NY State of Health Number: [REDACTED]
Appeal Identification Number: AP000000003572

[REDACTED]

Dear [REDACTED],

On October 13, 2015, you appeared by telephone at a hearing on your appeal of NY State of Health Marketplace's June 12, 2015 determination on your request for retroactive Medicaid coverage.

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 Code of Federal Regulation (CFR) 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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NY State of Health Number: [REDACTED]
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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 not eligible for retroactive Medicaid coverage from January 1, 2015 and March 31, 2015?

Procedural History

The Marketplace received your initial application for health insurance on April 1, 2015. In that application, you requested help in paying for medical bills from the previous three months.

On April 9, 2015, the Marketplace received a copy of your Social Security Administration (SSA) Notice of Award reflecting that you were eligible for \$1,372.00 per month, with the first such payment of benefits for December 2014 to be received around January 21, 2015.

Also on April 9, 2015, the Marketplace received (1) a letter issue to you by [REDACTED] stating that you received an overpayment in the amount of \$317.15 in connection with your claim for Long Term Disability (LTD) benefits, and requested that you make immediate repayment of this amount or further action may be taken and (2) three statements issued by [REDACTED] reflecting LTD claim amounts being remitted to either you or [REDACTED] between January and March 2015.

On April 10, 2015, the Marketplace received a revised application in which you requested help in paying for medical bills from the previous three months.

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On April 11, 2015, the Marketplace issued an eligibility determination notice stating that you were eligible for Medicaid, effective April 1, 2015.

On April 12, 2015, the Marketplace issued an enrollment notice confirming that your Medicaid would begin April 1, 2015, but also advised you to select a health plan or one would be chosen for you.

On April 14, 2015, the Marketplace issued an additional enrollment notice confirming that as of April 13, 2015, you had selected Healthfirst as your health plan with such coverage beginning May 1, 2015.

On April 22, 2015, the Marketplace received a further revised application in which you requested help in paying for medical bills from the previous three months.

On April 23, 2015, the Marketplace issued an eligibility redetermination notice stating that you remained eligible for Medicaid, effective April 1, 2015.

On June 12, 2015, the Marketplace determined that you were not eligible for Medicaid coverage for the period between January 1, 2015 and March 31, 2015 because your household income of \$1,504.60 was over the allowable limit of \$1,354.00.

On June 19, 2015, you spoke to the Marketplace's Account Review Unit and appealed the June 12, 2015 determination insofar as you were found not eligible for retroactive coverage by Medicaid for medical expenses incurred between January 1, 2015 and March 31, 2015.

On October 13, 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 as additional evidence to corroborate your testimony: (1) your 2014 tax return reflecting a maximum student loan interest deduction of \$2,500.00; and (2) all student loan interest statements (1098-E) received by you during 2014. The record was to be closed 15 days after the hearing date, or upon the receipt of the above referenced documents, whichever occurred earlier. No additional documents were received from you by October 28, 2015.

Accordingly, the record was closed on October 28, 2015.

Findings of Fact

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

- 1) Your relevant applications were received on April 1, 2015, April 10, 2015, and April 22, 2015; in each you requested seeking assistance with paying for medical bills incurred during the past three months.
- 2) Based on the April 10, 2015 application, you were found eligible for Medicaid coverage beginning April 1, 2015.
- 3) On April 9, 2015, you provided the Marketplace with a Notice of Award issued by the Social Security Administration (SSA) reflecting that you began receiving \$1,372.00 per month beginning around January 21, 2015, with such further payments to be received during the third Wednesday of each subsequent month.
- 4) On April 9, 2015, you provided the Marketplace with statements issued by [REDACTED] reflecting that you were paid long-term disability benefits of (1) \$132.60 on January 28, 2015 and (2) \$132.60 on February 23, 2015.
- 5) On April 9, 2015, you provided the Marketplace with a statement issued by [REDACTED] reflecting that you were due an additional \$132.60 on March 25, 2015, but this amount was paid directly back to [REDACTED]. You testified, and provided additional documentation reflecting, that this amount was withheld from you due to a “claw-back” relating to an earlier alleged overpayment of \$317.15. You further testified that you also did not receive your long-term disability benefits during the months of April and May 2015.
- 6) You testified that you could not recall whether you or your employer paid for your long-term disability benefits policy, but that is was likely your employer had paid, because it was part of your benefits package.
- 7) You testified, and your applications reflect, that you anticipated taking a \$2,500.00 deduction relating to interest payments you made on your student loans during 2015. You further testified that you made this deduction on your 2014 tax return and anticipated doing so again on your 2015 tax return.
- 8) On June 12, 2015, the Marketplace found you ineligible for retroactive Medicaid coverage for the period from January 1, 2015 to March 31, 2015.
- 9) You testified that you would be filing your 2015 tax return as single, and did not expect to claim any dependents.
- 10) You testified that you would like to be determined eligible for Medicaid coverage for the period from January 1, 2015 to March 31, 2015 since

you incurred some medical expenses during the months of January and February 2015.

Conflicting evidence, if any, was considered and found to be less credible than the evidence noted above.

Applicable Law and Regulations

Medicaid for Adults between the Ages of 19 and 65

Medicaid through the Marketplace can be provided 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 federal poverty level (FPL) for the applicable family size (42 CFR §§ 435.119(b), 435.911(b)(1), 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 2014 FPL, which is \$19,790.00 for a three-person household (79 Fed. Reg. 3593).

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).

The Department of Health must make Medicaid coverage start retroactively for up to three months prior to the month of application if the individual received medical services that would have been covered under Medicaid and the individual would have been eligible for Medicaid at the time he received the services if he had applied (42 CFR 435.915(a)). The Department of Health may make eligibility effective for fee-for-service Medicaid on the first day of the month if an individual was eligible any time during that month (42 CFR 435.915(b)).

Modified Adjusted Gross Income

The Marketplace bases its eligibility determinations on modified adjusted gross income as defined in the federal tax code (45 CFR § 155.300(a)). The term “modified adjusted gross income” means adjusted gross income increased by (1) any income that was excluded under 26 USC § 911 for United States citizens or residents living abroad, (2) tax-exempt interest received or accrued, and (3) Social Security benefits that were excluded from gross income under 26 USC § 86 (see 26 USC § 36B(d)(2)(B), 26 CFR § 1.36B-1(e)(2)).

“Adjusted gross income” is the gross income of the taxpayer minus the deductions permitted (26 USC § 62). Subject to some limitations, interest on a qualified educational loan can be deducted from adjusted gross income in an amount up to \$2,500 in interest paid by taxpayers during the taxable year, whose yearly income does not exceed \$160,000 (26 USC § 221; see *also* 26 USC § 62 (17)).

Long term disability benefits count as taxable income if the employer paid for the disability plan. If both the employee and employer paid premiums for the plan, only the portion of the benefits received due to the employer’s payments is taxable. If an individual paid the premiums through a cafeteria plan, and the amount was not included as taxable income, the premiums are considered paid by the employer, and the disability benefits are fully taxable (26 USC § 104).

Legal Analysis

The issue under review is whether the Marketplace properly determined that you were ineligible for retroactive Medicaid coverage for period from January 1, 2015 to March 31, 2015.

You are in a one-person household; you filed your 2014 tax return with a tax filing status of single and did not claim any dependents, and anticipate doing the same on your 2015 tax return.

You were initially found eligible for Medicaid in the April 11, 2015 eligibility determination notice based on your April 10, 2015 application. Since the initial application that resulted in a determination of Medicaid eligibility was filed during the month of April 2015, your coverage with Medicaid properly began April 1, 2015.

You testified that you are seeking to have your Medicaid coverage retroactively applied for the months of January, February and March 2015.

Medicaid coverage can be made effective retroactively for up to three months prior to an individual’s application if the individual received medical services that

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would have been covered under Medicaid and if they would have been eligible for Medicaid in those three months had they applied.

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 during January, February and March 2015, you would have needed to meet the non-financial criteria and have an income no greater than 138% of the FPL, which is \$1,354.00 per month.

You provided a Notice of Award issued by the Social Security Administration (SSA) reflecting that you received \$1372.00 per month during January, February and March 2015.

You also provided statements issued by ██████████ reflecting that you received \$132.60 in long-term disability benefits from ██████████ on January 28, 2015 and February 23, 2015. However, since the record does not support a finding that you contributed to the expense of your long-term disability insurance premiums (for example, by a deduction from your paycheck), the entire amount of your \$132.60 per month payment during January and February 2015 counts as MAGI-based income. You were able to confirm, however, that you did not receive any long-term disability payments during March 2015 since that payment was subject to a "claw-back."

During the hearing, you testified that you intended to take a \$2,500.00 deduction for student loan interest you anticipated paying during 2015. To support your testimony, the Hearing Officer directed you to provide a copy of your 2014 tax return and all student loan interest statements (1098-E) received by you for the 2014 tax year. You did not provide any documentation prior to the record closing on October 28, 2015. Therefore, we are unable to give any weight to your testimony regarding this anticipated deduction.

Accordingly, the credible evidence of record reflects that your monthly income during January 2015 was \$1,504.60, February 2015 was \$1,504.60, and March 2015 was \$1,372.00 per month.

Since your income of during each month was greater than the \$1,354.00 Medicaid limit for January, February and March 2015 for a one-person household, the Marketplace correctly found you ineligible for retroactive Medicaid for the period from January 1, 2015 to March 31, 2015.

Accordingly, the June 12, 2015 eligibility determination, finding that you did not qualify for retroactive Medicaid for the period from January 1, 2015 to March 31, 2015, is correct is AFFIRMED.

Decision

The June 12, 2015 eligibility determination is AFFIRMED.

Effective Date of this Decision: November 09, 2015

How this Decision Affects Your Eligibility

Your eligibility has not changed.

You were eligible for Medicaid beginning April 1, 2015.

You are not eligible for retroactive Medicaid for the period from January 1, 2015 to March 31, 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.

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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Albany, NY 12211
- By fax: 1-855-900-5557

Summary

The June 12, 2015 eligibility determination is AFFIRMED.

Your eligibility has not changed.

You were eligible for Medicaid beginning April 1, 2015.

You are not eligible for retroactive Medicaid for the period from January 1, 2015 to March 31, 2015.

Legal Authority

We are sending you this notice in accordance with Code of Federal Regulation 45 CFR § 155.545(a).

A Copy of this Decision Has Been Provided To:

