



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

Notice of Decision

Decision Date: November 25, 2015

NY State of Health Number: [REDACTED]
Appeal Identification Number: AP000000004385

[REDACTED]

Dear [REDACTED],

On November 6, 2015 you appeared by telephone at a hearing on your appeal of NY State of Health Marketplace's August 19, 2015 eligibility determination notice.

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 were eligible to receive up to \$13.00 per month in advance premium tax credits, effective October 1, 2015?

Did the Marketplace properly determine that you were not eligible for cost-sharing reductions, as of August 18, 2015?

Did the Marketplace properly determine that you were not eligible for Medicaid, as of August 18, 2015?

Procedural History

On August 18, 2015, the Marketplace received your modified application for health insurance.

On August 19, 2015, the Marketplace issued an eligibility determination notice based on the information contained in the August 18, 2015 application, stating that you were eligible for up to \$13.00 per month in advance premium tax credits, effective October 1, 2015. You were not eligible for cost-sharing reductions or for Medicaid because your income was over the allowable limits for those programs.

Also on August 19, 2015 you contacted the Marketplace's Account Review Unit and requested an appeal of that eligibility determination insofar as you were not approved for Medicaid.

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On November 6, 2015, you had a telephone hearing with a Hearing Officer from the Marketplace's Appeals Unit. The record was developed during the hearing and left open for 15 days to allow you the opportunity to submit an updated print out of your unemployment benefits payment history. On November 6, 2015 you uploaded a copy of your payment history and it was marked as Appellant's Exhibit #1 and incorporated into the record. The record is now closed.

Findings of Fact

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

- 1) You testified that you expect to file your 2015 taxes with a tax filing status of single. You will claim no dependents on that tax return.
- 2) The application that was submitted on August 18, 2015 listed an annual household income of \$45,085.46, consisting of \$34,165.46 you earned from a previous employer and \$10,920.00 you expected to receive from unemployment benefits. You testified that these amounts were correct.
- 3) You submitted a printout of your unemployment benefit payment history that shows in August 2015 you received \$420.00 in gross benefits twice on August 4, 2015 and \$420.00 in gross benefits once on August 11, 2015, August 19, 2015, and August 25, 2015.
- 4) You testified that you will not be taking any deductions on your 2015 tax return.
- 5) Your application states that you live in Queens County, New York.

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).

For annual household income in the range of at least 300% but less than 400% of the 2014 FPL, the expected contribution is 9.56% of the household income (26 CFR § 1.36B-3T(g)(1), 45 CFR § 155.300(a), IRS Rev. Proc. 2014-37).

People who use the APTC to help pay health insurance premiums must file a federal tax return and reconcile their expected income (stated on the Marketplace application) with their actual income (stated on their federal income tax return). Those who take less tax credit in advance than they claim on the tax return may get the rest of it as an income tax refund or have their tax bill reduced. Those who take more tax credit in advance than they can claim on their tax return will owe the difference as additional income taxes (26 CFR § 1.36B-4).

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)).

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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 of up to \$13.00 per month.

The application that was submitted on August 18, 2015 listed an annual household income of \$45,085.46 and the eligibility determination relied upon that information.

You are in a one-person household. You expect to file you 2015 income taxes as single and will claim no dependents on that tax return.

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

An annual income of \$45,085.46 is 386.34% of the 2014 FPL for a one-person household. At 386.34% of the FPL, the expected contribution to the cost of the health insurance premium is 9.56% of income, or \$359.18 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 an individual in your county (\$371.75 per month) minus your expected contribution (\$359.18 per month), which equals \$12.57 per month.

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Therefore, rounding to the nearest dollar, the Marketplace correctly determined you to be eligible for up to \$13.00 per month in advance premium tax credits.

The second issue is whether you were properly found not eligible for cost-sharing reductions. 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 \$45,085.46 is 386.34% of the applicable FPL, the Marketplace correctly found you to be not eligible for cost-sharing reductions.

The third issue is whether the Marketplace properly determined that you were 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 \$45,085.46 is 383.05% of the 2015 FPL, the Marketplace properly found you to be not eligible 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.

You submitted a printout of your unemployment benefit payment history that shows in August 2015 you received \$420.00 in gross benefits twice on August 4, 2015 and \$420.00 in gross benefits once on August 11, 2015, August 19, 2015, and August 25, 2015.

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 \$1,354.00 per month. Since the documentation you provide shows that you earned \$2,100.00 in August 2015, you did not qualify for Medicaid on the basis of monthly income at that time.

Since the August 19, 2015 eligibility determination properly stated that, based on the information you provided, you were eligible for an advance premium tax credit of up to \$13.00 per month, not eligible for cost-sharing reductions, and not eligible for Medicaid, it was correct. Based on the information submitted, and is **AFFIRMED**.

However, the documentation you submitted shows that you received only \$6,320.00 to date in unemployment insurance benefits. With payments of \$425.00 per week and eight pay dates left in 2015, your anticipated income from unemployment insurance benefits for 2015 is \$9,720.00, not the \$10,920.00

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identified on your application. This difference would only have increased the amount of APTC to which you would have been entitled each month by a small amount, and you may reconcile this difference when you file your tax return for 2015.

Decision

The August 19, 2015 eligibility determination notice is AFFIRMED.

Effective Date of this Decision: November 25, 2015

How this Decision Affects Your Eligibility

You remain eligible for up to \$13.00 per month in advance premium tax credits.

You are not eligible for cost-sharing reductions.

You are not eligible for Medicaid.

Please note that this decision only applies to your eligibility for the year 2015. For insurance coverage starting January 1, 2016, you will need to reapply with the Marketplace during the Open Enrollment Period. The Open Enrollment Period for 2016 health coverage is November 1, 2015 to January 31, 2016. For more information on Open Enrollment please go to <https://nystateofhealth.ny.gov/> or contact the Marketplace at the contact information listed in this decision.

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

Summary

The August 19, 2015 eligibility determination notice is AFFIRMED.

You remain eligible for up to \$13.00 in advance premium tax credits.

You are not eligible for cost-sharing reductions.

You are not eligible for Medicaid.

Please note that this decision only applies to your eligibility for the year 2015. For insurance coverage starting January 1, 2016, you will need to reapply with the Marketplace during the Open Enrollment Period. The Open Enrollment Period for 2016 health coverage is November 1, 2015 to January 31, 2016. For more information on Open Enrollment please go to <https://nystateofhealth.ny.gov/> or contact the Marketplace at the contact information listed in this decision.

Legal Authority

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A Copy of this Decision Has Been Provided To:

