



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

Notice of Decision

Decision Date: January 27, 2016

NY State of Health Number: [REDACTED]
Appeal Identification Number: AP000000004627

[REDACTED]

Dear [REDACTED]

On December 10, 2015, you appeared by telephone at a hearing on your appeal of NY State of Health Marketplace's August 14, 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 and the NY State of Health number at the top of this notice.

Legal Authority

We are sending you this notice in accordance with 45 Code of Federal Regulations (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 \$194.00 per month in advance payments of the premium tax credit, effective September 1, 2015?

Did the Marketplace properly determine that you were eligible for cost-sharing reductions, effective September 1, 2015?

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

Procedural History

On August 14, 2015, the Marketplace issued an eligibility determination notice based on the information contained in your August 13, 2015 application, stating that you were eligible to receive advance payments of the premium tax credit of up to \$194.00 per month, and cost-sharing reductions, effective September 1, 2015. It further stated that you were not eligible for Medicaid because your household income of \$27,797.20 was over the allowable income limit.

On September 8, 2015, you spoke with the Marketplace's Account Review Unit and appealed that determination insofar as it related to your eligibility for additional financial assistance.

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).

On December 10, 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 up to 15 days to provide you an opportunity to submit supporting evidence, including proof of your income.

On December 18, 2015, the Marketplace's Appeals Unit received your supporting evidence, which included a copy of your Department of Labor Official Record of Benefit Payment History, and a copy of two paystubs issued on September 25, 2015 and October 9, 2015. These documents were collectively marked as Appellant's Exhibit 1 and incorporated into the record.

The record was closed on December 18, 2015.

Findings of Fact

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

- 1) You testified that you expected to file your 2015 federal income tax return with a tax filing status of single. You will claim no dependents on that tax return.
- 2) The application that was submitted on August 13, 2015 listed an annual household income of \$27,797.20, consisting of \$17,500.00 you earned from your employment, \$10,920.00 you received in unemployment insurance benefit payments, and \$622.80 in deductions. You testified that this amount is not an accurate reflection of your current income situation.
- 3) You testified that you separated from your employment on June 15, 2015. You further testified that you subsequently applied for unemployment insurance benefits, and were approved for a maximum payment of \$420.00 per week.
- 4) You testified that you began receiving unemployment insurance benefits in mid to late July 2015. You further testified that you occasionally work per diem, and therefore do not receive the maximum unemployment insurance benefit payment every week.
- 5) The evidence provided indicates that one unemployment insurance benefit payment was released during the month of August 2015 in the amount of \$183.75 (Appellant's Exhibit 1, December 18, 2015).
- 6) You testified, and provided evidence, that you claimed full unemployment benefits throughout the month of August 2015 and did not receive any other income for the month of August 2015 (Appellant's Exhibit 1, December 18, 2015).

- 7) Your application states that you will be taking a student loan interest deduction of \$622.80 on your 2015 tax return.
- 8) Your application states that you live in Kings County.

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

Applicable Law and Regulations

Advance Payments of the Premium Tax Credit

Advance payments of the premium tax credit (APTC) are 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 was 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 200% but less than 250% of the 2014 FPL, the expected contribution is between 6.34% and 8.10% 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 \$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 APTC of up to \$194.00 per month.

The application that was submitted on August 13, 2015 listed an annual household income of \$27,797.20 and the eligibility determination relied upon that information.

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

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

An annual income of \$27,797.20 is 238.19% of the 2014 FPL for a one-person household. At 238.19% of the FPL, the expected contribution to the cost of the health insurance premium is 7.68% of income, or \$177.90 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 (\$177.90 per month), which equals \$193.85 per month. Therefore, rounding to the nearest dollar, the Marketplace correctly determined you to be eligible for up to \$194.00 per month in APTC.

The second issue is whether you were properly found 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 \$27,797.20 is 238.19% of the applicable FPL, the Marketplace correctly found you to be eligible for cost sharing reductions.

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 \$11,770.00 for a one-person household. Since \$27,797.20 is 236.17% of the 2015 FPL, the Marketplace properly found you ineligible for Medicaid on an expected annual income basis, using the information provided in your application.

Since the August 14, 2015 eligibility determination properly stated that, based on the information you provided, you were eligible for an APTC of up to \$194.00 per month, eligible for cost-sharing reductions, and not eligible for Medicaid, it is correct and is AFFIRMED.

However, additional evidence provided on appeal indicates that the information contained on your application no longer reflects your current income situation.

You provided evidence that you have been receiving unemployment insurance benefit payments since July 2015. You further provided evidence that you received one unemployment insurance benefit payment during the month of

August 2015 in the amount of \$183.75. The credible evidence in the record indicates that you did not receive any other sources of income during the month of August 2015.

Financial eligibility for Medicaid for applicants who are not currently receiving Medicaid benefits is based on current monthly household income and family size. Since the record suggests that the Marketplace determined your eligibility by expected annual income but not by current monthly income, the case should be returned to the Marketplace for a redetermination of eligibility using an income of \$183.75 for the month of August 2015.

Therefore, the case is RETURNED to the Marketplace to redetermine your eligibility for financial assistance based on a one-person household in Kings County, with an August 2015 income of \$183.75.

Decision

The August 14, 2015 eligibility determination notice is AFFIRMED.

Your case is RETURNED to the Marketplace to redetermine your eligibility for financial assistance based on a one-person household in Kings County, with an August 2015 income of \$183.75.

Effective Date of this Decision: January 27, 2016

How this Decision Affects Your Eligibility

This decision does not change your eligibility.

It sends your case back to the Marketplace to redetermine your eligibility for financial assistance based on a one-person household, residing in Kings County, with an income of \$183.75 for the month of August 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.

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).

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

Summary

The August 14, 2015 eligibility determination notice is AFFIRMED.

This decision does not change your eligibility.

It sends your case back to the Marketplace to redetermine your eligibility for financial assistance based on a one-person household, residing in Kings County, with an income of \$183.75 for the month of August 2015.

Legal Authority

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

A Copy of this Decision Has Been Provided To:

