



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

## Notice of Decision

Decision Date: February 10, 2017

NY State of Health Account ID: [REDACTED]  
Appeal Identification Number: AP000000011718

[REDACTED]

Dear [REDACTED],

On January 12, 2017, you appeared by telephone at a hearing on your appeal of NY State of Health's August 17, 2016 enrollment 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 and the Account ID 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.

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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DEPARTMENT OF HEALTH  
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## Decision

Decision Date: February 10, 2017

NY State of Health Account ID: [REDACTED]  
Appeal Identification Number: AP000000011718



## Issue

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

Did NY State of Health (NYSOH) properly determine that your daughter's enrollment in her Medicaid Managed Care plan was effective no earlier than October 1, 2016?

## Procedural History

On June 23, 2016, NYSOH received your initial application for health insurance.

On June 24, 2016, NYSOH issued an eligibility determination notice based on the information contained in the June 23, 2016 application. While the notice confirmed the eligibility of you, your spouse, and your son, the notice did request that you provide proof of her income by July 8, 2016 and proof of income for you and your spouse by September 21, 2016, in order to determine her eligibility.

On June 27, 2016, NYSOH received two additional updates to your application for health insurance.

Also on June 27, 2016, NYSOH received (1) a summary of credits and debits issued by [REDACTED], (2) a statement issued by [REDACTED] for the billing period between December 13, 2015 and January 12, 2016, (3) income statements issued by you for the months of March, April and May 2016, (4) a letter issued to your spouse by [REDACTED], dated June 23, 2016, reflecting the start of his employment and his annual salary, and (5) the lease agreement issued to you and your spouse by your landlord.

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On June 28, 2016, NYSOH issued a notice confirming receipt of the June 27, 2016 application and stated that your daughter might be eligible for health insurance through NYSOH. The notice stated that additional proof of income for your daughter, as well as for you and your spouse, was required by July 8, 2016.

On July 2, 2016, NYSOH issued a notice stating that the documentation that you provided did not confirm the information in your application. Again, you were requested to provide proof of income for you, your spouse, and your daughter by September 25, 2016.

On July 11, 2016, NYSOH received a Schedule K-1 (Form 1065) issued to you for 2015 reflecting your receipt of \$4,440.00 in distributions as a part owner of [REDACTED] relating to rental properties.

On July 14, 2016, NYSOH received an update to your application for health insurance.

On July 15, 2016, NYSOH issued a notice confirming receipt of the July 14, 2016 application and stated that your daughter might be eligible for health insurance through NYSOH. The notice stated that additional proof of income for your daughter was required by July 23, 2016.

On July 27, 2016, NYSOH received a further update to your application for health insurance.

Also on July 27, 2016, NYSOH received a letter issued by your father, [REDACTED], dated, July 27, 2016, stating that you were a partner in a rental property known as [REDACTED], and that your share of the rental income was \$4,440.00 per year.

On July 28, 2016, NYSOH issued a notice confirming receipt of the July 27, 2016 application and stated that your daughter might be eligible for health insurance through NYSOH. The notice stated that additional proof of income was required by September 6, 2016.

On August 9, 2016, NYSOH received (1) a letter issued to your spouse by [REDACTED], dated August 9, 2016, reflecting the start of his employment and his annual salary, and (2) a duplicate copy of the Schedule K-1 (Form 1065) issued to you for 2015 reflecting your receipt of \$4,440.00 in distributions as a part owner of [REDACTED] relating to rental properties.

On August 12, 2016, NYSOH received a record of earning and expenses from [REDACTED], dated August 11, 2016, for the period between January 9, 2016 and August 11, 2016.

On August 15, 2016, NYSOH redetermined your eligibility.

On August 16, 2016, NYSOH issued an eligibility determination notice stating that your daughter was eligible for Medicaid effective July 1, 2016.

On August 17, 2016, NYSOH issued an enrollment notice in the plan you selected for your daughter on August 15, 2016, stating that you were enrolled in a MMC plan, and that her coverage would start on October 1, 2016.

On August 26, 2016, you spoke to NYSOH's Account Review Unit and appealed the start date of your daughter's enrollment in her MMC plan, insofar as it did not begin August 1, 2016. You later amended your request to have her MMC plan coverage begin effective July 1, 2016.

On January 12, 2017, you had a telephone hearing with a Hearing Officer from NYSOH's Appeals Unit. The record was developed during the hearing and closed at the end of the hearing.

## **Findings of Fact**

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

- 1) You submitted your initial application to NYSOH for financial assistance on June 23, 2016.
- 2) On June 27, 2016, you uploaded income documentation to your account.
- 3) On June 27, 2016, in response to the letter requesting additional documentation, you provided to NYSOH a summary of credits and debits issued by [REDACTED], and the amounts transferred to your bank account of \$404.40 on April 13, 2016, \$429.85 on May 11, 2016, and \$212.50 on June 13, 2016.
- 4) On June 27, 2016, you provided to NYSOH a statement issued by [REDACTED] for the billing period between December 13, 2015 and January 12, 2016 which reflected a purchase from [REDACTED] in the amount of \$757.55.
- 5) On June 27, 2016, you provided to NYSOH income statements generated by you for the months of March, April and May 2016, which reflected an average net income during of \$278.14, \$366.72, and \$149.37, respectively, during those months.
- 6) On June 27, 2016, you provided a lease agreement reflecting that your monthly rent was \$3,500.00.

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- 7) You testified, and provided documentation on June 27, 2016, that your spouse's anticipated earnings for 2016 was \$40,000.00.
- 8) On June 28, 2016, NYSOH issued a notice requesting that you provide additional documentation to confirm your income so that your daughter's eligibility could be determined, without specifying what was wrong with the income documentation you had already submitted.
- 9) You testified, and provided documentation on July 11, 2016 reflecting, that you have received \$4,440.00 per year in rental income as a part owner of [REDACTED].
- 10) On August 12, 2016, you provided to NYSOH a record of your earnings and expenses between for [REDACTED] between January 9, 2016 and August 11, 2016.
- 11) You testified, and the record reflects, that you selected your daughter's MMC plan on August 16, 2016, and that her enrollment was effective on October 1, 2016.
- 12) You testified that you wanted your daughter's MMC plan to begin on July 1, 2016, rather than October 1, 2016, because you had incurred significant out-of-pocket costs for your daughter medical care during the month of July 2016.
- 13) You testified that you believed that your daughter's MMC plan should have begun as of July 1, 2016 because of misinformation provided to you by NYSOH representatives in what you needed provide as proof of your income, which led to a significant delay in her enrollment.

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

## **Applicable Law and Regulations**

### Medicaid

An individual is eligible for fee-for-service Medicaid effective on the first day of the month if an individual was eligible any time during that month (42 CFR § 435.915(b), Medicaid Eligibility Changes under the Affordable Care Act (ACA) of 2010, 13ADM-03(III)(F)).

Medicaid Managed Care plan enrollments received on or before the fifteenth day of the month are effective the first day of the following month. Enrollments

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received after the fifteenth day of the month are effective the first day of the second following month (Medicaid Managed Care Model Contract (Appendix H-6(b)(ii) & (iii), effective 3/1/2014 – 2/28/2019; see 42 USC § 1315; § 364-j(1)(c); 18 NYCRR § 360-10.3(h), Medicaid Eligibility Changes under the Affordable Care Act (ACA) of 2010,13ADM-03(III)(F)).

### Verification Process

For all individuals whose income is needed to calculate the household's eligibility, NYSOH must request data that will allow NYSOH to verify the household's income (45 CFR §155.320(c)(1)(i)).

If NYSOH cannot verify the income information required to determine eligibility they must attempt to resolve the inconsistency including giving the applicant the opportunity to submit satisfactory documentary evidence (45 CFR §155.315(f)).

### Timely Notice

When an individual applies for insurance through NYSOH, NYSOH must determine that person's eligibility promptly and without undue delay (45 CFR § 155.310(e)(1); 42 FR § 435.1200(b)(3)(iii)).

To assess whether an eligibility determination was untimely, NYSOH must base the time period from the date of application to the date NYSOH notifies the applicant of its decision (45 CFR § 155.310(e)(2)).

However, if the applicant submits an incomplete application or there is not sufficient information for NYSOH to make an eligibility determination, then NYSOH must notify that applicant that more information is needed to complete the application (45 CFR § 155.310(k)(1)).

## **Legal Analysis**

The issue is whether NYSOH properly determined that your daughter's enrollment in her MMC plan was effective no earlier than October 1, 2016.

The record reflects that you submitted your initial NYSOH application for health insurance on June 23, 2016. In this application, you confirmed that your household's annual expected income was \$46,420.00, which was comprised of (1) \$40,000.00 you spouse expected to receive from his employer, [REDACTED], (2) \$4,200.00 (\$350.00 x 12 months) you expected to receive through your business with [REDACTED], and (3) \$2,220.00 in rental income you anticipated to receive.

When NYSOH cannot verify information that is required to make an eligibility determination, it must notify the applicant and allow the applicant time to submit satisfactory documentation to confirm the applicant's eligibility.

On June 27, 2016, you provided several documents to NYSOH, which included a signed letter by your spouse's employer confirming that his annual income was anticipated to be \$40,000.00. You also provided a self-generated income statement for your [REDACTED] business, which reflected an average net income during March, April, and May 2016 of \$278.14, \$366.72, and \$149.37, respectively, and a [REDACTED] statement reflecting a charge by [REDACTED] in the amount \$757.55. While the document you provided to prove your spouse's income was sufficient, the self-generated income statement and credit card statement were deemed to be insufficient to document your income.

On June 28, 2016, NYSOH issued a notice to advise you that additional information was needed to determine your daughter's eligibility for health insurance. It requested that you provide documentation proving your income by several dates.

On July 2, 2016, NYSOH issued a notice to advise you that additional information was needed to determine your daughter's eligibility for health insurance, without specifying what was lacking in the documentation already provided. It requested that you provide documentation proving your income by July 23, 2016.

On August 12, 2016, you provided to NYSOH a record of your earnings and expenses between for [REDACTED] between January 9, 2016 and August 11, 2016. This document, in addition to the letter confirming your spouse's income from his employer, was accepted as valid proof of income on August 15, 2016.

Based on this additional documentation, your daughter was found eligible for Medicaid effective July 1, 2016 as reflected in an eligibility determination notice issued on August 15, 2016.

You ultimately selected an MMC plan on August 15, 2016. In a notice of enrollment issued on August 17, 2016, our daughter's MMC plan coverage was found to begin October 1, 2016.

The date on which a MMC plan can take effect depends on the day a person selects the plan for enrollment.

A plan that is selected from the first day to and including the fifteenth day of a month will go into effect on the first day of the following month. A plan that is selected on or after the sixteenth day of the month will go into effect on the first day of the second following month.



Since the record reflects that you selected an MMC plan for your daughter on August 15, 2016, your daughter's MMC plan coverage should have begun at least as early as September 1, 2016.

However, it is noted that no one of the notices sent to you explained specifically what was wrong with the documentation you had provided. Had the July 2, 2016 notice clearly explained what was needed, your daughter could have been eligible for Medicaid and her MMC plan prior to July 15, 2016, and her enrollment in the MMC plan could have begun on August 1, 2016.

Accordingly, the August 17, 2016 enrollment notice is MODIFIED to state that your daughter's MMC plan coverage was effective August 1, 2016.

Your case is RETURNED to NYSOH to effectuate the above changes to your daughter's MMC plan enrollment start date.

## **Decision**

The August 17, 2016 enrollment notice is MODIFIED to state that your daughter's MMC plan coverage was effective August 1, 2016.

Your case is RETURNED to NYSOH to effectuate the above changes to your daughter's MMC plan enrollment start date.

**Effective Date of this Decision:** February 10, 2017

## **How this Decision Affects Your Eligibility**

The effective date of your daughter's MMC plan is August 1, 2016.

## **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 of the Decision Date, which appears on the first page of this Decision.

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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 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 17, 2016 enrollment notice is MODIFIED to state that your daughter's MMC plan coverage was effective August 1, 2016.

Your case is RETURNED to NYSOH to effectuate the above changes to your daughter's MMC plan enrollment start date.

The effective date of your daughter's MMC plan is August 1, 2016.

### **Legal Authority**

We are issuing this determination in accordance with 45 CFR § 155.545.

**A Copy of this Decision Has Been Provided To:**

