



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

## Notice of Decision

Decision Date: January 13, 2017

NY State of Health Account ID: [REDACTED]  
Appeal Identification Number: AP000000011928

[REDACTED]

[REDACTED]

On December 19, 2016, you appeared by telephone at a hearing on your appeal of NY State of Health's April 25, 2016 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 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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## Decision

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NY State of Health Account ID: [REDACTED]  
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## 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 you and your spouse were ineligible for Medicaid reimbursement of your third-party health insurance (TPHI) as of April 25, 2016?

## Procedural History

On April 21, 2016, you updated your application for financial assistance with NYSOH.

On April 22, 2016, NYSOH issued a notice of eligibility determination stating that you and your spouse were conditionally eligible for Medicaid, effective April 1, 2016. This same notice requested that you submit documentation regarding your TPHI coverage.

Also on April 22, 2016, NYSOH issued an enrollment notice confirming your and your spouse's enrollment in Medicaid as of April 1, 2016, and stating that the type of Medicaid coverage you were eligible for did not require or allow you to enroll in a health plan.

On June 25, 2016, NYSOH issued a notice stating that it is not cost effective for NYSOH to pay for health insurance premiums for you and your spouse.

On September 8, 2016, you spoke to NYSOH's Account Review Unit and appealed the April 25, 2016 eligibility determination, insofar as you and your

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spouse were not found eligible for Medicaid reimbursement of your TPHI premium.

On December 19, 2016, 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 testified that you have TPHI through your husband's employer.
- 2) You testified that the deductible for coverage for you and your spouse through his TPHI is \$5,000.00 per year.
- 3) You testified that you originally applied for Medicaid reimbursement of your TPHI premium through your Local Department of Social Services (LDSS).
- 4) On September 27, 2016, you uploaded a letter to your NYSOH account from the NYS Department of Health, dated August 14, 2015, which stated that you had been identified by your LDSS or NYSOH to receive payments or reimbursement of health insurance premiums through the Health Insurance Premium Payment program (document [REDACTED]).
- 5) You testified that your LDSS contacted you and informed you that you were approved for reimbursement of your TPHI premium from February 2015 through February 2016.
- 6) You testified that you came to NYSOH to reapply for premium payment in April 2016 because the county calculated your household income differently, so you came to NYSOH and applied for Medicaid.
- 7) You testified that you did receive the April 25, 2016 notice, but that you had several conversations past that point with NYSOH in which you were told that the request was still being processed.
- 8) NYSOH's records show that notes were entered for complaint [REDACTED] on May 3, 2016 indicating that your application for premium assistance was still being processed.
- 9) You testified that, at some point, you were finally informed by someone at NYSOH that it was not cost-effective for Medicaid to reimburse your TPHI premium payment.

- 10) You testified that you do not understand why you were eligible for premium reimbursement last year, and not eligible this year, when nothing has changed with regard to your household or income.
- 11) You testified that you are looking for reimbursement of your TPHI premium payments for the months of March through December 2016.
- 12) The NY State Department of Health, Third Party Liability Unit, created a summary stating that your spouse's insurance plan has a \$5,000.00 deductible. The summary further states that, per Social Security Law Section 1906A, high deductible plans are \$1,300.00 for a single person and \$2,600.00 for a family. High-deductible plans are never considered cost-effective per Social Security Law.

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

## **Applicable Law and Regulations**

### 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 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)), NY Social Services 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 2013 FPL, which is \$11,490.00 for a one-person household (79 Fed. Reg. 3593, 3593).

Financial eligibility for Medicaid for applicants who are not currently receiving Medicaid benefits can be 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).

### Medicaid Premium Reimbursement

A person may be eligible for Medicaid reimbursement of health insurance premiums paid if the payment of those premiums is cost-effective and so reduces the cost of providing Medicaid services (see NYS Social Services Law § 367-

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a(1)(b), 18 NYCRR § 360-7.5, GIS 02 MA/019). Cost-effectiveness may be determined by comparing what it would cost Medicaid to provide coverage to the cost of the premiums for the health insurance policy.

A state may elect to offer premium assistance for qualified employer-sponsored coverage to all individuals who are entitled to Medicaid if it is cost-effective to do so. “Qualified employer-sponsored coverage” does not include high-deductible health plans, as defined by the Internal Revenue Service (42 USC § 1396e-1). For the year 2016, the Internal Revenue Service defined a high-deductible health plan as one with an annual deductible more than \$1,300.00 for an individual, and \$2,600.00 for a family (See 26 USC § 223(c)(2)(A); IRS Rev. Proc. 2015-30).

## **Legal Analysis**

The issue under review is whether NYSOH properly determined that you and your spouse were not eligible to have Medicaid reimburse your TPHI premiums for the months of March through December 2016.

A person may be eligible for Medicaid reimbursement of health insurance premiums paid if the payment of those premiums is cost-effective and so reduces the cost of providing Medicaid services. A plan that is a “high-deductible” health plan is excluded from eligibility for premium reimbursement because it is not considered to be cost-effective. A plan is considered a “high-deductible” plan if it meets the criteria specified by the Internal Revenue Service. For the year 2016, a high-deductible plan was one in which the annual deductible for a family was more than \$2,600.00.

You testified that your annual deductible for TPHI coverage of you and your spouse was \$5,000.00 for 2016. As such, your TPHI coverage is considered to be a high-deductible health plan, and is not eligible for premium reimbursement. While you may have received premium reimbursement in 2015 when you applied through LDSS, the evidence of record indicates that you were not eligible for premium reimbursement in 2016 when you applied through NYSOH.

Therefore, NYSOH’s April 25, 2016 determination stating that it was not cost-effective for NYSOH to pay for health insurance premiums for you and your spouse was correct and is AFFIRMED.

## **Decision**

The April 25, 2016 notice stating that it was not cost-effective for NYSOH to pay your TPHI premiums is AFFIRMED.

**Effective Date of this Decision:** January 13, 2017

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

You and your spouse were not eligible for Medicaid reimbursement of your TPHI premiums as of April 25, 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.

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):**

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## **Summary**

The April 25, 2016 notice stating that it was not cost-effective for NYSOH to pay your TPHI premiums is **AFFIRMED**.

You and your spouse were not eligible for Medicaid reimbursement of your TPHI premiums as of April 25, 2016.

## **Legal Authority**

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



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

