



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

Notice of Decision

Decision Date: April 05, 2017

NY State of Health Account ID: [REDACTED]
Appeal Identification Number: AP000000014226

[REDACTED]

Dear [REDACTED],

On March 6, 2017, you appeared by telephone at a hearing on your appeal of NY State of Health's November 29, 2016 eligibility redetermination 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 NY State of Health 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.

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STATE OF NEW YORK
DEPARTMENT OF HEALTH
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Decision

Decision Date: April 05, 2017

NY State of Health Account ID: [REDACTED]
Appeal Identification Number: AP000000014226

[REDACTED]

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 were not eligible to received advance payments of the premium tax credit, effective January 1, 2017?

Procedural History

On November 29, 2016, NYSOH issued an eligibility redetermination notice, based on the information contained in your November 28, 2016 application, stating that you were eligible to purchase a qualified health plan at full cost, effective January 1, 2017.

On December 21, 2016, you contacted NYSOH's Account Review Unit and requested an appeal of that eligibility determination as it related to your denial of financial assistance.

On March 6, 2017, you had a telephone hearing with a Hearing Officer from NYSOH's Appeals Unit. The record was developed during the hearing and held open until March 21, 2017 for you to submit proof of your student loan interest deduction. On March 6, 2017, you submitted a 2016 1098-E Student Loan Interest Statement, which was made part of the record. The record closed that day.

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Findings of Fact

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

- 1) You testified that you expect to file your 2016 taxes with a tax filing status of single. You will claim no dependents on that tax return.
- 2) You are seeking insurance for yourself.
- 3) The application that was submitted on November 28, 2016 listed annual household income of \$48,000.00, consisting of \$48,000.00 you earn from [REDACTED] after expenses are taken out. You testified that this amount was correct.
- 4) Your application states that you will not be taking any deductions on your 2016 tax return. However, you testified that you do have a student loan interest deduction.
- 5) On March 6, 2017, you submitted a 2016 1098-E Student Loan Interest Statement reflecting that you had a student loan interest deduction in the amount of \$1,049.54 for 2016, which equals a modified adjusted gross income for 2016 of \$46,950.46 based upon a \$48,000.00 (gross income) less \$1,049.54 (deduction for student loan interest). You testified that you expect to take the same, if not more of a student loan interest deduction in 2017.
- 6) According to your NYSOH account, you voluntarily disenrolled from health coverage effective February 1, 2017, because health coverage is unaffordable.
- 7) According to your NYSOH account and your testimony, you live in [REDACTED] [REDACTED], New York.

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

Applicable Law and Regulations

Modified Adjusted Gross Income

NYSOH 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)

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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)).

Student Loan Interest Deductions

“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 \$2,500.00 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)).

Advance Payments of Premium Tax Credit

Advance payments of the premium tax credit (APTC) are generally 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 federal 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 2017 is set by federal law at 2.04% to 9.69% of household income (26 USC § 36B(b)(3)(A), 26 CFR § 1.36B-3T(g) IRS Rev. Proc. 2014-37, IRS Rev. Proc. 2016-24).

For annual household income in the range of at least 300% but less than 400% of the 2016 FPL, the expected contribution in 2017 is 9.69% of the household income (45 CFR § 155.300(a), 26 USC §36B(b)(3)(A)(i), 26 CFR § § 1.36B-3T(g)(1), IRS Rev. Proc. 2016-24).

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 2016 FPL, which is \$ 11,880.00 for a one-person household (81 Fed. Reg. 4036).

People who use the APTC to help pay health insurance premiums must file a federal tax return and reconcile their expected income (stated on NYSOH 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).

Legal Analysis

The issue under review is whether NYSOH properly determined that you were ineligible for financial assistance, effective January 1, 2017.

The application that was submitted on November 28, 2016 listed an annual household income of \$48,000.00 and the eligibility determination relied upon that information.

You are in a one-person household for purposes of this analysis. This is because you expect to file your 2016 income taxes as single and will claim no dependents on that tax return.

Advance payment of the premium tax credit is available to a person who has a household income no greater than 400% of the FPL. In an evaluation for eligibility in 2017, an annual income of \$48,000.00 is 404.04% of the 2016 FPL of \$11,880.00 for a one-person household.

Since a household income of \$48,000.00; which you attested to in your November 28, 2016 application; is 404.04% of the applicable FPLs for 2017 for a one-person household, NYSOH correctly found you to be ineligible for APTC, effective January 1, 2017. Therefore, NYSOH correctly determined you to be ineligible for APTC as of January 1, 2017, and the November 29, 2016 eligibility redetermination notice must be AFFIRMED.

However, at the hearing you testified to a student loan interest deduction that was not a part of your initial application. On March 6, 2017, you submitted a 2016 1098-E Student Loan Interest Statement reflecting that you have a student loan interest deduction in the amount of \$1,049.54 for 2016. In most cases, student loan interest is deductible in an amount of up to \$2,500.00 per year by the taxpayer. Since there is no indication that you would not qualify to take the full

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student loan interest deduction as reported on your 1098-E, this would result in a modified adjusted gross income of \$46,950.46. Therefore, your case is RETURNED to NYSOH to redetermine your eligibility for financial assistance based on a one-person household for an individual residing in ██████ County with an attested household income of \$46,950.46.

Decision

The November 29, 2016 eligibility redetermination notice is AFFIRMED.

Your case is RETURNED to NYSOH to redetermine your eligibility for financial assistance based on a one-person household for an individual residing in ██████ County with an attested household income of \$46,950.46.

NYSOH will notify you accordingly.

Effective Date of this Decision: April 05, 2017

How this Decision Affects Your Eligibility

This is not a final determination of your eligibility for financial assistance.

Your case is being sent back to NYSOH to redetermine your eligibility for financial assistance based on a one-person household for an individual residing in ██████ County, with a household income of \$46,950.46. NYSOH will notify you of its redetermination and your eligibility to re-enroll outside the open enrollment period.

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

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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 November 29, 2016 eligibility redetermination notice is AFFIRMED.

Your case is RETURNED to NYSOH to redetermine your eligibility for financial assistance based on a one-person household for an individual residing in ██████ County with an attested household income of \$46,950.46.

NYSOH will notify you accordingly.

This is not a final determination of your eligibility for financial assistance.

Your case is being sent back to NYSOH to redetermine your eligibility for financial assistance based on a one-person household for an individual residing in ██████ County, with a household income of \$46,950.46. NYSOH will notify you of its redetermination and your eligibility to re-enroll outside the open enrollment period.

Legal Authority

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

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A Copy of this Decision Has Been Provided To:



Getting Help in a Language Other than English

This is an important document. If you need help to understand it, please call 1-855-355-5777. We can give you an interpreter for free in the language you speak.

Español (Spanish)

Este es un documento importante. Si necesita ayuda para entenderlo, llame al 1-855-355-5777. Le proporcionaremos un intérprete sin ningún costo.

中文 (Traditional Chinese)

這是重要的文件。如果您需要獲得關於瞭解文件內容方面的協助，請致電 1-855-355-5777。我們可以為您免費提供您所使用語言的翻譯人員。

Kreyòl Ayisyen (Haitian Creole)

Sa a se yon dokiman ki enpòtan. Si ou bezwen èd pou konprann li, tanpri rele nimewo 1-855-355-5777. Nou kapab ba ou yon entèprèt gratis nan lang ou pale a.

中文 (Simplified Chinese)

这是一份重要的文件。如果您需要帮助理解此文件，请打电话至 1-855-355-5777。我们可以为您提供相应语种的口译服务。

Italiano (Italian)

Questo è un documento importante. Per qualsiasi chiarimento può chiamare il numero 1-855-355-5777. Possiamo metterle a disposizione un interprete nella sua lingua.

한국어 (Korean)

중요한 서류입니다. 이해하는 데 도움이 필요하시면 1-855-355-5777 번으로 연락해 주십시오. 귀하의 언어에 대한 무료 통역 서비스가 제공됩니다.

Русский (Russian)

Это важный документ. Если Вам нужна помощь для понимания этого документа, позвоните по телефону 1-855-355-5777. Мы можем бесплатно предоставить Вам переводчика Вашего языка.

العربية (Arabic)

هذه وثيقة مهمة. إذا كنت بحاجة إلى مساعدة لفهم محتواها، يُرجى الاتصال بالرقم 1-855-355-5777. يُمكننا توفير مترجم فوري لك باللغة التي تتحدثها مجاناً.

বাংলা (Bengali)

এটি এক গুরুত্বপূর্ণ নথি। এটি বুঝতে আপনার যদি সাহায্যের প্রয়োজন হয় তাহলে, অনুগ্রহ করে 1-855-355-5777 নম্বরে কল করুন। আপনি যে ভাষায় কথা বলেন বিনামূল্যে আমরা আপনাকে একজন দোভাষী দিতে পারি।

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Français (French)

Ceci est un document important. Si vous avez besoin d'aide pour en comprendre le contenu, appelez le 1-855-355-5777. Nous pouvons mettre gratuitement à votre disposition un interprète dans votre langue.

हिंदी (Hindi)

यह एक महत्वपूर्ण दस्तावेज़ है। अगर आपको इसे समझने में सहायता चाहिए, तो कृपया 1-855-355-5777 पर कॉल करें। हम आपकी भाषा बोलने वाला एक दुभाषिया निःशुल्क उपलब्ध करवा सकते हैं।

日本語 (Japanese)

これは重要な書類です。理解するために支援が必要な場合は、1-855-355-5777 にお電話ください。通訳を無料で提供いたします。

नेपाली (Nepali)

यो एउटा महत्वपूर्ण कागजात हो। यसलाई बुझ्न तपाईंलाई मद्दत चाहिन्छ भने, कृपया 1-855-355-5777 मा फोन गर्नुहोस्। हामीले तपाईंले बोल्ने भाषामा तपाईंलाई निःशुल्क दोभाषे उपलब्ध गराउन सक्छौं।

Polski (Polish)

To jest ważny dokument. W przypadku konieczności skorzystania z pomocy w celu zrozumienia jego treści należy zadzwonić pod numer 1-855-355-5777. Istnieje możliwość uzyskania bezpłatnej usługi tłumacza języka, którym się posługujesz.

Twi (Twi)

Krataa yi ye tow krataa a ho hia. Se wo hia eho nkyerekyeremu a, ye sre wo, fre 1-855-355-5777. ye&etumi ama wo obi a okyerE kasa a woka no ase ama wo kwa a wontua hwee.

(Urdu) اردو

یہ ایک اہم دستاویز ہے۔ اگر آپ کو اسے سمجھنے کے لیے مدد کی ضرورت ہے تو براہ کرم 1-855-355-5777 پر کال کریں۔ ہم آپ کو آپ کی مادری زبان میں ایک مفت مترجم فراہم کر سکتے ہیں۔

Tiếng Việt (Vietnamese)

Đây là tài liệu quan trọng. Nếu quý vị cần trợ giúp để hiểu tài liệu này, vui lòng gọi 1-855-355-5777. Chúng tôi có thể cung cấp thông dịch viên miễn phí nói ngôn ngữ của quý vị.

אידיש (Yiddish)

דאס איז א וויכטיגער דאקומענט. אויב איר דארפט הילף עס צו פארשטיין, ביטע רופט 1-855-355-5777. מיר קענען אייך געבן א דאלמעטשער פריי פון אפצאל אין די שפראך וואס איר רעדט.

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