

**COMMONWEALTH OF PENNSYLVANIA  
HEALTH INSURANCE EXCHANGE AUTHORITY**



v.

Pennsylvania Health Insurance  
Exchange Authority d/b/a Pennie,  
Appellee

:  
:  
:  
:  
:  
:  
:

Docket No. PHIEA - 00001-2021

**MARKETPLACE ELIGIBILITY APPEAL FINAL DECISION**

The Health Insurance Marketplace Oversight Act, 40 Pa. C.S. §§ 9101-9703, which created the Pennsylvania Health Insurance Exchange Authority d/b/a Pennie (Pennie), gives Pennie applicants and enrollees the right to appeal certain eligibility determinations. When this decision was issued, the Presiding Officer considered the information used in your Marketplace Eligibility Determination, as well as any additional relevant evidence presented during the course of the eligibility appeal. The Presiding Officer also considered certain federal regulations which are, by law, required to be applied to this matter.

**This is the final decision of your 2021 eligibility appeal.**

**Decision**


Based upon review of the relevant facts and law, including all the evidence you have provided, your appeal decision is as follows:

**THE ELIGIBILITY DETERMINATION YOU APPEALED IS FOUND TO BE CORRECT.**

**This appeal decision takes effect as of February 1, 2021.**

Here is the explanation of your eligibility appeal decision:

**Procedural History**

The Marketplace Eligibility Determination you appealed was dated **November 19, 2020**. We received your eligibility appeal request on **November 20, 2020**, at Pennie's Appeals Center. On **January 4, 2021**, a hearing was held on your eligibility appeal by a Pennsylvania Department of State Hearing Officer. You,  chose not to be present by telephone.

**Evidence Considered**

All the information and every document you submitted were carefully reviewed.

**Legal Basis**

The legal basis for this decision is established by the federal regulations at 45 CFR §§ 155.300-355, which you can find at [www.healthcare.gov/](http://www.healthcare.gov/). Also relevant are portions of the Internal Review Code and its regulations which were admitted into evidence at the hearing and which you were given copies of by Counsel for Pennie.

### Relevant Facts

1. You were [REDACTED] years old at the time you applied for the Qualified Health Plan. Application and Appeal Request Form; Notes of Testimony (“NT”) 60; PHIEA Ex. I.
2. You live in [REDACTED] Pennsylvania. Application and Appeal Request Form. PHIEA Ex. I; NT 61.
3. You are part of two-person household. PHIEA Ex. I, 057; NT 59.
4. You meet the requirements to enroll in a Qualified Health Plan. Eligibility Notice. *See also* NT 24
5. You meet the financial and non-financial requirements to qualify you for subsidies in the form of an Advanced Premium Tax Credit to help pay the costs of the Qualified Health Plan. Eligibility Notice.
6. [REDACTED] the Director of Policy at Pennie, (NT 9) presented credible testimony for PHIEA explaining the calculations in this case. NT 9-73.
7. Advanced premium tax credits are tax credits taken in advance or otherwise used to help those qualified pay premiums for each month an individual had health insurance. NT 10.
8. To calculate the Annual Premiums Owed for the Plan, the Monthly Premiums are multiplied by the Age Rating times 12 months. *See* PHIEA Ex. H, 056; NT 16-20; 23; 54.
9. Pennsylvania has nine rating areas or regions that Pennie bases its premiums on. NT 46-47.
10. These rating areas are established by the Pennsylvania Department of Insurance, not Pennie. NT 47.
11. The Monthly Premium for [REDACTED] where you live, *see* Application p. 1 (identifying an address of [REDACTED] PA) is 368.59. PHIEA Ex. F, 053; NT 49.
12. The age rating for you, the insured, is 2.810 because you were [REDACTED] years old when you applied for coverage. *See* Application p. 3 (identifying date of birth as [REDACTED]). PHIEA Ex. G, 055.
13. When the numbers in your case are applied, that calculation is:  $\$368.59 \times 2.810 \times 12 =$  **\$12,432 Annual Premium Owed**. NT 66-67.
14. Next the Customer Contribution to the annual premium owed is calculated. *See* PHIEA Ex. H, 056; NT 54.
15. Step 1 for this is: Determine Household Modified Adjusted Gross Income (MAGI). NT 54-55.
16. This figure as pertains to this case is \$62,809. PHIEA Ex. I, 057; NT 61, 68.
17. Step 2 for this is: Determine Poverty Rate for Contiguous 48 States. NT 68.
18. This figure as pertains to this case is \$17,240. PHIEA Ex. C, 026; NT 37, 68.
19. Step 3 for this is: Multiply Poverty Rate x 4. NT 68.
20. The result when this done is:  $\$17,240 \times 4 = \$68,960$ . NT 68.
21. Step 4 for this is: If MAGI is less than 400% of the Poverty Rate, Divide Household Income/Poverty Rate = Federal Poverty Level. NT 68.
22. It is less than 400%, so here is the calculation:  $\$62,809/\$17,240 = 364.32$ . NT 68.

23. Step 5 for this is: Determine Applicable Percentage Rate of Customer. NT 39-40; 69.
24. This figure is .0983. PHIEA Ex. D-1, 029; NT 39; NT 68.
25. Step 6 for this is  $MAGI \times \text{Applicable Percentage Rate} = \text{Customer Contribution}$ . NT 68-69.
26. The calculation for this is  $\$62,809 \times .0983 = \$6,174$ . NT 68-69.
27. Finally, to determine the Advanced Premium Tax Credit the formula is:  $(\text{Annual Premiums Owed} - \text{Customer Contribution})/12 = \text{Advanced Premium Tax Credit}$ . NT 69-70.
28. Supplying the numbers in this case, the calculation is:  $\$12,432 - \$6,174 = \$6,258/12 =$  **\$521 per month**. PHIEA Exhibits, H, I; NT 64, 67, 69-70.
29. That is the amount that PHIEA calculated.

While this number is less than your credit last year, which was \$631.00, that was based on the 2020 figures as set forth in the 2020 version of PHIEA Ex. F, not the 2021 year. As explained by Mr. Thomsen, these figures can change for numerous reasons and are not set by Pennie. *See* NT 70-72. Also, he explained that if Pennie were to give you too much of a APTC you would have to pay it back to the Internal Revenue Service, so you would gain nothing. NT 30-31.

#### Conclusions of Law

1. You are eligible to purchase a Qualified Health Plan through Pennie, Pennsylvania's state-based marketplace. *See* 45 C.F.R. § 155.305.
2. Your household income makes you eligible for Advanced Premium Tax Credits (APTC). *See* 45 C.F.R. § 155.305(f).
3. Pennie properly calculated your APTC for 2021 as \$521.00.

#### ORDER

**NOW**, January 27, 2021, it is **ORDERED** that the decision rendered by Pennie is **AFFIRMED**.

/s/Debra Sue Rand  
Debra Sue Rand  
Presiding Officer

#### EXPLANATION OF THE RIGHT TO PURSUE AN APPEAL

If you remain dissatisfied with this determination, **within 30 days of the decision mailing date listed below** you may:

**File an appeal with the Commonwealth Court of Pennsylvania.** See 2 Pa .C.S. §§ 701, 702; 210 Pa. Code § 1501. To file an appeal with the Commonwealth Court, you must file a Petition for Review with the Court to the following address:

The Commonwealth Court of Pennsylvania  
Pennsylvania Judicial Center  
601 Commonwealth Ave Suite 2100  
P.O. Box 69185  
Harrisburg, PA 17106

You must send a copy of your Petition to Review to Pennie at [appeals@pennie.com](mailto:appeals@pennie.com).

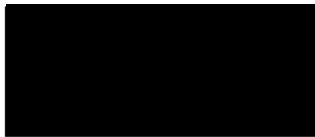
**File an appeal with the United States Department of Health and Human Services (HHS) Market Place Appeals Center.** See 42 U.S.C. § 18081(f); 45 C.F.R. § 155.520(c). You can only file appeals to HHS of decisions involving eligibility for qualified health plans, advanced premium tax credits, and cost-sharing reductions. To file an appeal with HHS, you can:

- Visit [HealthCare.gov/marketplace-appeals](https://www.healthcare.gov/marketplace-appeals); or
- Write a letter requesting an appeal. Include your name, address, and the reason you are requesting the appeal. If you are requesting an appeal for someone else (like your child), also include their name.

Then, fax your appeal request to a secure fax line: 1-877-369-0130, or mail it to:

Health Insurance Marketplace  
ATTN: Appeals  
465 Industrial Blvd.  
London, KY 40750-0061

**For Appellant:**



**For PHIEA;**

(by email only, as requested) [appeals@pennie.com](mailto:appeals@pennie.com)

**Decision Mailing Date (Issuance Date):** \_\_\_\_\_

1/27/21