

Department of Public Health
and Human Services

Section:
Financial Requirements

HEALTHY MONTANA KIDS

Subject:
Income Overview

Supersedes: **New to HMK Manual**

General Rule -- Income or money obligated to the family from any source, even if it is diverted to an entity outside the household, is considered available to the family.

Determining financial eligibility means an investigation of the household's current and future circumstances. The results are a 'best estimate' based on the family's reasonable expectations and knowledge which accurately reflect all facts and remain an accurate reflection of the likely situation throughout the eligibility period.

NOTE: Although evaluated by HMK, some income may be excluded.

Income is divided into two categories:

1. Earned income, which includes:
 - a. wages, salaries and commissions for services performed; and
 - b. net earnings from self-employment.
2. Unearned income includes all income that is not earned (e.g., child support, Social Security Benefits, Supplemental Security Income (SSI), unemployment, worker's compensation, interest, dividends, etc).

NOTE: In-kind income (e.g., housing in exchange for maintenance work) is not counted when determining eligibility for the HMK coverage group. However, in-kind income is counted when determining eligibility for the HMK **Plus** coverage group.

AVAILABLE INCOME

Income is considered available when it is actually available and when a family member has a legal interest in it and the legal authority to make the income available for support and maintenance.

A family is required to apply for all countable income they may be eligible or entitled to receive. For example, if the parent could receive unemployment benefits, s/he must pursue benefits as a condition of eligibility. If benefits begin to be received, the amount received is counted as income.

If unable to determine the amount the family member will receive, if the countable income is pursued, deny HMK benefits because sufficient information is not provided to determine income eligibility.

VERIFYING INCOME

Income must be verified at the time of application and renewal. The family has the primary responsibility to provide income verification. HMK staff will assist the family in obtaining verification provided the family is cooperating with the verification process.

EARNED INCOME VERIFICATION

Verification of earned income may be from any of the following sources (list is not all inclusive):

1. pay stubs or pay envelopes;
2. W-2 forms (only if they reflect current income);
3. state or federal income tax return or tax statements (only if they reflect current income);
4. employer's statement (signed and dated by the employer);

NOTE: If the employer statement is verbal, CHIMES Case Notes must clearly state the details of the conversation (who, what, when where and how).

5. Employment Security office records (Department of Labor and Industry interface);
6. self-employment bookkeeping records showing all income and expenses; or
7. any other reasonable form of verification.

UNEARNED INCOME VERIFICATION

Verification of unearned income may be from any of the following corroborative sources (list is not all inclusive):

1. correspondence or award letters regarding benefits (e.g., unemployment, workers compensation, social security, supplemental security income, railroad retirement, veterans administration, pensions, child support, etc);

2. computer interfaces (e.g., SEARCHS for child support, MISTICS for unemployment, SOLQ for social security);
3. organizational records or statements (e.g., attorney statements or records, County Clerk of Court records, Insurance Company records, income tax records (only if they reflect current income), etc); or
4. any other reasonable form of verification.

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