

HARRIS HEALTH SYSTEM

ELIGIBILITY SERVICES DEPARTMENTAL GUIDELINES AND PROCEDURES

Procedures No: 5.10
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Effective Date: 08/01/2002

TITLE: VERIFICATION OF INCOME

PURPOSE: To specify the income documentation requirements for clients seeking financial assistance from the Harris Health System.

GUIDELINES/PROCEDURES STATEMENT:

Clients applying for financial assistance are required to provide proof of all family income for thirty (30) days preceding the date of application. Proof of income and/or Texas Workforce Commission inquiry for additional time-periods may be required in certain circumstances as outlined below.

ELABORATIONS:

(See Harris Health System Eligibility Services Departmental Guidelines and Procedures 5.01, "Overview of Income Requirements" for definitions of countable income for purposes of eligibility determination).

I. DEFINITIONS:

A. COMMON LAW MARRIAGE:

Requirements for common-law marriage are:

1. The couple has made a declaration to each other that they are married;
2. The couple lives together; and
3. The couple presents themselves to others as husband and wife.
4. A couple cannot be common law married if one party is legally married to another person.

- B. SEPARATED PERSON:** A client who is legally married to another person no longer residing in the household. For purposes of financial assistance from Harris Health System, the client does not have to have filed for legal separation to be considered separated.

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II. EMPLOYMENT INCOME:

- A. All employed clients seeking financial assistance from Harris Health System must prove the source and amount of employment income.
- B. Employment income, or earned income, may be verified by one or more of the following:
 - 1. Pay stubs covering the prior thirty days (four (4) if paid weekly, two (2) if paid bimonthly; one if paid monthly); or
 - 2. If check stubs are not available, Harris Health System Form 283129, "Wage Verification Form" completed by the employer with name, address, hourly wage, hours worked, and wages earned in the prior thirty (30) days, with the name, signature, and title of the person completing the form.
- C. Clients whose check stubs show overtime pay may be required to provide additional check stubs or proof from the employer documenting the usual amount of overtime worked per pay period. When overtime is routine, all income earned in the prior thirty (30) days will be used to calculate eligibility. However, if the overtime is sporadic, the average pay for the prior three months may be used with management approval.
- D. Income paid weekly, bi-monthly, or every other week will be converted to the appropriate monthly amount in the eligibility software system before the monthly income can be determined.
- E. Seasonal Workers (temporary employees, migrant workers, non-independent contract workers) - Gross income for the past twelve (12) months should be averaged over a twelve (12)-month period to determine monthly income. Income proof, such as a tax return, or check stubs must be provided, but may be up to twelve (12) months old.

School district employees paid on a ten (10)-month basis are considered seasonal workers. The employee must present their employment contract or other documentation to determine whether they are paid on a ten (10)-month or

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twelve (12)-month basis. If paid on a ten (10)-month basis, monthly income will be determined by averaging the amount paid over twelve (12) months.

- F. Income proof for the spouse or other members of the family unit must be provided.

III. SELF-EMPLOYMENT INCOME:

- A. All self-employed clients applying for financial assistance from Harris Health System must provide proof of self-employment income.
- B. Current Internal Revenue Service (IRS) 1040/1040A Tax return (all pages) is the preferred proof of self-employment income.
1. Countable incomes for self-employment:
 - a. Taxable interest;
 - b. Ordinary dividends;
 - c. Business income or (loss);
 - d. Capital gain or (loss);
 - e. Other gains or (losses);
 - f. Rental real estates, Royalties, Partnerships, S corporation, Trust; and
 - g. Farm income or (loss).
 2. Any other income listed on the tax return (i.e. wages, pensions, unemployment compensation, Social security benefits, other income...) should be reviewed to determine if it is countable for purposes of eligibility determination and should be included in the monthly income calculation where appropriate.
 3. If the countable self-employment income on client's current IRS 1040/1040A Tax return has negative amount or zero amount, the current self-employment amount indicated on the application will be accepted as client's self-employment income proof.
- C. Monthly income is calculated by dividing annual income by twelve (12). If the income proof is provided for a period of less than twelve (12) months, the average

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monthly income will be determined by dividing the annual income by the number of months covered in the proof provided.

D. Harris Health System Form 283131, "Statement of Self Employment Income" will be accepted if clients do not file income tax.

E. Clients may document current income on the applications if:

1. Clients indicating that self-employment income has significantly changed from the time covered by the tax return, or
2. Clients filing the extension, or
3. Clients' monthly self-employment income is insufficient.

Additional income verification may be requested.

F. Income proof for the spouse or other members of the family unit must be provided.

IV. UNEMPLOYMENT INCOME:

A. Unemployed clients must provide proof of any income received.

B. Unemployment income may be demonstrated by one or more of the following proofs:

1. Current copy of state unemployment benefits slip, printout, or check; Application for social services or welfare, excluding Supplemental Nutrition Assistance Program (SNAP). Current copy of Social Security Award letter, check, or current printout;
2. Veteran's Administration (VA) letter or check;
3. Retirement letter or check; or
4. Other documents demonstrating the client is retired and the source of retirement income.

C. Income proof for the spouse or other members of the family unit must be provided.

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D. Clients living off savings must present all bank or investment statements for the prior three months. Interest or dividend income is considered countable income. The Harris Health System reserves the right to request additional statements as it deems necessary.

E. No form of income:

1. Clients with no income must have the person supporting them complete and sign Harris Health System Form 283127, "Statement of Support." The supporter may or may not be responsible for the patient's medical bills, depending on the legal relationship between the supporter and the unemployed person.
2. All unemployed applicants, age eighteen (18) and over with a social security number must complete and sign the form 283341, "Authorization to Release Confidential Unemployment Insurance Employee records" which will allow Harris Health System to complete an inquiry with Texas Workforce Commission.

F. Dependents:

Family income for patients carried as dependents on another person's tax return may be required if it is determined that a legal responsibility for support exists between the dependent and the other party. (See Harris Health System Eligibility Services Departmental Guidelines and Procedures 4.01, "Verifying Household Composition" for details.)

V. **ADDITIONAL REQUIREMENTS FOR SEPARATED OR COMMON-LAW MARRIED CLIENTS:**

Clients applying for financial assistance from Harris Health System who are separated, or common-law married must present additional proof to document all forms of income received, in addition to the appropriate income proof for his/her employment status.

A. Separated Clients:

Any income received from the separated spouse is countable and is documented as unearned income.

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B. Common-law Married:

Persons who are common-law married must provide income proof for both parties in accordance with each person's employment status.

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REFERENCES/BIBLIOGRAPHY:

Harris County Indigent Health Care Program Handbook.

Harris Health System Eligibility Services Departmental Guideline and Procedures 4.01, "Verifying Household Composition."

Harris Health System Eligibility Services Departmental Guidelines and Procedures 5.01, "Overview of Income Requirements."

Forms:

Harris Health System Form 283129, "Wage Verification Form"

Harris Health System Form 283127, "Statement of Support"

Harris Health System Form 283131, "Statement of Self Employment Income"

Harris Health System Form 283341, "Authorization to Release Confidential Unemployment Insurance Employee records"

OFFICE OF PRIMARY RESPONSIBILITY:

Harris Health System Eligibility Services Department.

REVIEW/REVISION HISTORY:

Effective Date	Version # (If Applicable)	Review/ Revision Date (Indicate Reviewed or Revised)	Approved by:
08/01/02	1.0		Adm Dir. Eligibility & Regis Svcs
	2.0	08/26/05	Patient Eligibility Services
	3.0	03/04/09	Adm Dir. Eligibility & Regis Svcs
	4.0	12/01/10	Adm Dir. Eligibility & Regis Svcs
	5.0	03/10/11	Adm Dir. Eligibility & Regis Svcs
	6.0	10/01/11	Adm Dir. Eligibility & Regis Svcs
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