

**INCOME
EARNED****WAGES, SALARIES AND CONTRACTUAL INCOME**

When determining eligibility for a prospective period, the local district estimates the A/R's future income. ***When the A/R's income is constant or salaried, one (1) pay stub within the past four (4) weeks is acceptable as an overall representation of income. If the A/R's income varies, the A/R's wages for the four (4) weeks immediately preceding the application are averaged. If the A/R received an exceptionally high or low payment during this period, that payment may be disregarded. When the A/R cannot supply documentation, the social services district can accept other forms of information, which it determines will verify the wages earned.***

When the A/R is paid a salary for labor or services provided over a period greater than one month, the salary is broken down to determine monthly income.

When to Verify:

When the A/R indicates that s/he is employed.

When the A/R indicates that s/he was employed in the recent past.

When the Resource File Integration (RFI) reports indicate that the A/R has income.

Documentation:

Sufficient to establish an audit trail:

The pay stubs; pay checks; or a written statement from the employer; or

When these are not available the A/R's income tax return, W-2 form, or records of bank deposits may be used.

**INCOME
EARNED****TIPS**

Description: Tips are a gratuity paid to persons engaged in personal service, based upon a percentage of the price of goods or services, exceptional service or preferred attention.

Policy: Tips received by the A/R and members of his/her household are considered in determining eligibility for Medicaid.

References: SSL Sect. 366.2(a)
Dept. Reg. 360-4.3

Interpretation: Tips given to people working in personal service occupations are often a significant part of their income. Wages and salaries paid to such persons are often quite low because tips are expected to provide a large portion of their income. Tips may vary seasonally or by the quality and type of service rendered. Some occupations for which tips may constitute a substantial portion of earnings are:

- Waiters and waitresses
- Taxi drivers
- Bellhops
- Bus persons
- Bartenders
- Porters
- Shoe shiners
- Delivery persons
- Barbers and beauticians
- Chambermaids
- Checkroom, locker room and washroom attendants
- Masseurs and masseuses
- Caddies
- Vending stand operators
- Entertainers who play in restaurants, bars or nightclubs
- Parking attendants

Since the list is not all inclusive, income from tips is considered for any A/R who is engaged in a personal service occupation.