



Building Better Health – Income Deep Dive
October 13-14, 2016

www.peakoutreach.com

Key Points

Review: Expedited & Standard Path

Annual Income

Reasonable Compatibility

Reporting Changes to Income

Nuanced Income Considerations

When to Question the System

But first....What informs eligibility?



Program Selection



Review: Expedited and Standard Path

Standard Path vs. Expedited Path

Refresher – For in-depth learning, reference our User Guides and Webinars.

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2. Select, "I can estimate the yearly taxable income for my household...".
Enter the estimated Taxable Income (Modified Adjusted Gross Income) amount into the field that displays and click Next.

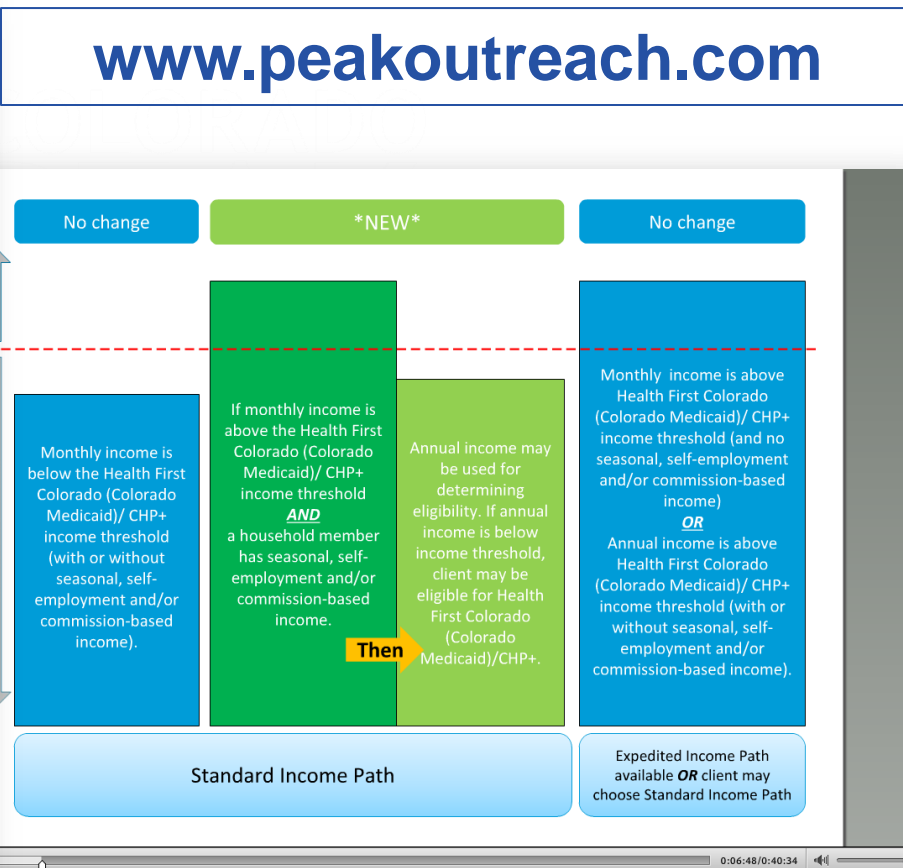
Selecting, "I need help calculating my annual taxable income..." prompts an Income Path message.

Clicking X to close the message and changing the selection to, "I can estimate..." returns to the expedited income path.

Clicking Next on the Income Path message prompts the standard income pathway.

3. Review the Income Summary to confirm accuracy. If needed, click Edit to make changes.

Click Next.



Expedited Path Eligibility: You must be/have...

Not currently incarcerated

Tax-filer(s) & tax dependents (*If married, filing jointly**)

U.S. Citizen or Lawfully Present Non-Citizen

Eligible for MAGI Medical Assistance

No Income from certain American Indian/Alaska Native Sources

Medical Assistance Only Application

* There are exceptions for victims of Domestic Violence (Exceptional Circumstance)

About Your Income

Household Income

2016

For your Tax Household, which includes **October, Amy and James**, tell us if your expected modified adjusted gross annual household income is more than the amount listed below.

If you're not sure or your income may be very close to the amount below, please select "I Dont Know".

*2016 will be **more than** \$54432.00

Yes
 No
 I Don't Know

2017

For your Tax Household, which includes **October, Amy and James**, tell us if your expected modified adjusted gross annual household income is more than the amount listed below.

If you're not sure or your income may be very close to the amount below, please select "I Dont Know".

*2017 will be **more than** \$54432.00

Yes
 No
 I Don't Know

You can find your Adjusted Gross Income on Tax Form 1040 line 37 (2014), Tax Form 1040A line 21 (2014), or Tax Form 1040EZ line 4 (2014). For more information, see the help text in the top right of this page.

If you would like help calculating your expected modified adjusted gross annual income, you can use one of the calculators [here](#).

2016

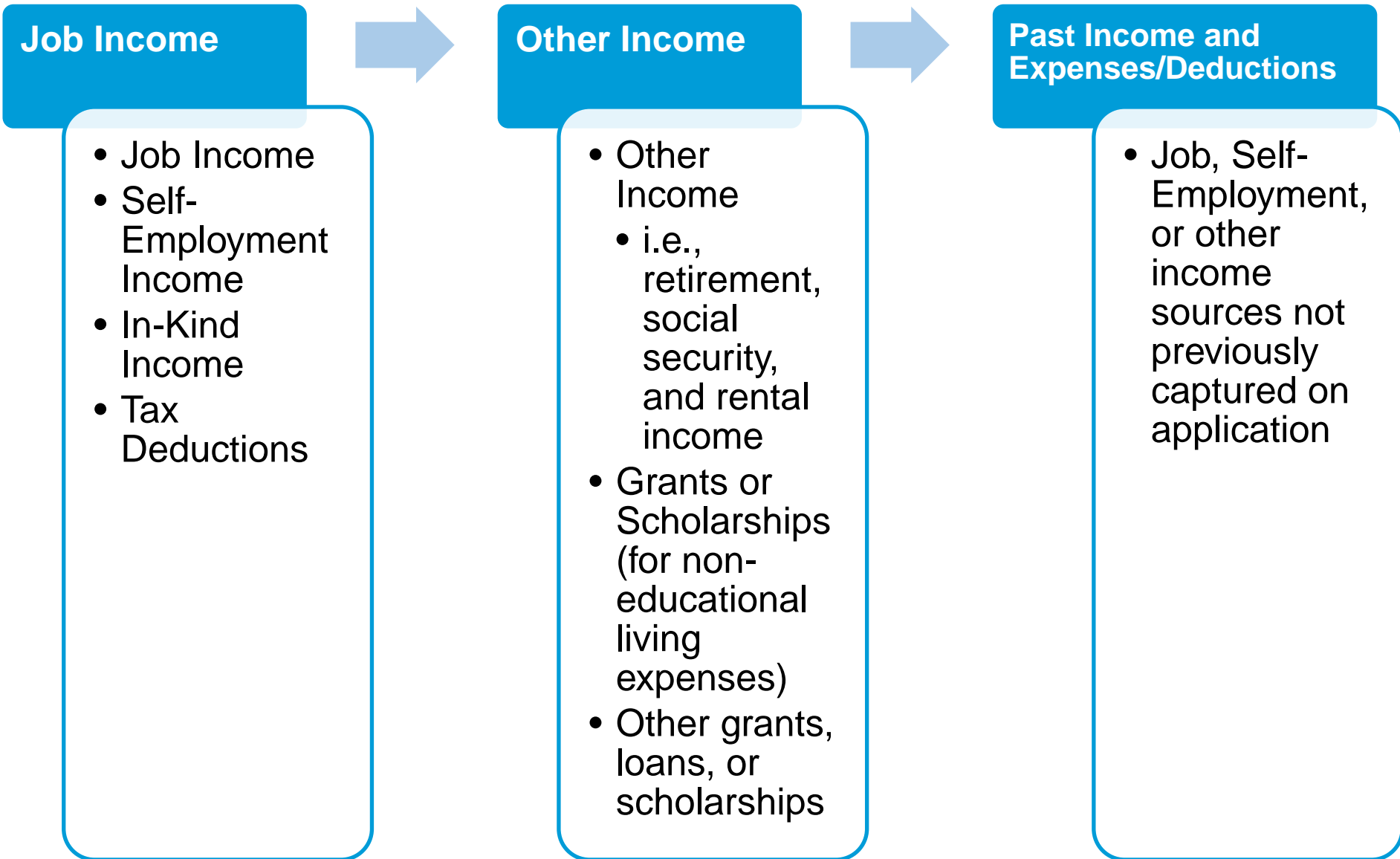
Tax Household # 1 includes:

Martha

*Taxable Income (Modified Adjusted Gross Income)

\$

Standard Income Path



Annual Income

Who Has It	Company Name	Reported	Annual	Actual Annual Amount for 2016	Actual Annual Amount for 2017
Martha	Gym	\$800.00 Monthly	\$9600.00	\$ 10000.00	\$ 9600.00 

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Save

Save & Exit

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Annualized Income for Seasonal, Commission-Based and Self-Employed

Gross Pay

* Tell us the total gross pay that Amy gets each pay period. By gross pay, we mean the amount Amy earns before taxes or anything else is taken out of the pay check. By pay period, we mean the time between each pay check. [?](#)

\$

Is any part of this gross pay from seasonal employment? [?](#)

Yes No

Is any part of this gross pay from commission-based, including tipped, employment? [?](#)

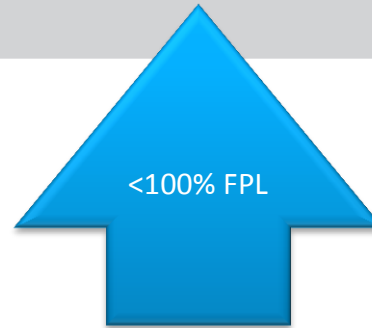
Yes No

employer. [?](#)

\$

Client has regular Job Income. Got a raise mid-year, so actual 2016 is lower than system calculated annual.

Monthly	Annual	Actual Annual 2016	Actual Annual 2017
2,000	24,000	11,000	24,000



- Current monthly would be APTC eligible, but based on low annual (<100% FPL) – system would determine client eligible for Health First Colorado (Medicaid)

Client has regular Job Income. Gets a lot of overtime during the summer, so the Actual Annual is higher than this month.

Monthly	Annual	Actual Annual 2016	Actual Annual 2017
975	11,700	20,000	20,000

- If Expedited pathway **is presented**:
 - Client could enter \$20,000 and be eligible for APTC/CSR
- If Expedited pathway **is *not* presented** or client cannot estimate income:
 - Since Health First Colorado (Medicaid) is always determined first, client would be eligible based on current monthly income.
 - Client would need to report increased income when received and may then move from Health First Colorado to APTC/CSR.

Client is **Self-Employed**, plowing snow in the winter. He is applying for assistance in December.

Monthly	Annual	Actual Annual 2016	Actual Annual 2017
3,000 1,166	36,000	14,000	14,000



- Current monthly would be over income for Health First Colorado (Medicaid), but since he is self-employed, the actual annual will be divided by 12 to reach an average monthly income of **\$1,166**.
- Based on the average monthly income, client will be approved for Health First Colorado benefits.
- This applies only to income, not expenses.
- **The same logic applies for seasonal and commission-based workers.**

Client has SEASONAL Job Income. Works March – October, is currently not working. All income goes in Past Income.

Past Income and Expenses/Deductions

Past Income and Expenses/Deductions

Past Employment and Other Income

*Did anyone in your home have income from a past job, self-employment, or other sources during 2015 that they will need to include on your tax return? [?](#)

- Sandy SeasonalWorker
- No one

What was the total amount that Sandy received from these past jobs, self-employments, and other income? [Click here](#) to see how this should be calculated.

\$

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Reasonable Compatibility

Reasonable Compatibility

✓ Start

✓ People

3 Assets

> 4 Income

5 Bills

6 Submit

Reasons for Income Differences

After you submit this application, we are required to verify the income you tell us. We need to know if income has changed for anyone in your household in the last two years.

Please mark the box next to the person's name if their income changed in the last two years.

Reasons for Income Differences

- October Enhancements
- Any Enhancements
- James Enhancements
- No one

Why did October's income change? Select all reasons that apply.

- Stopped working at a job
- Hours changed at a job
- Wage or salary changed at a job

When did this change occur?



- Change in employment
- Marriage, Legal Separation, or Divorce
- Death in family
- Other

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Save & Exit

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How do interfaces work?

	<u>Name</u>	<u>Income Source</u>	<u>Monthly</u>	<u>Interface</u>
Standard Income Path	Matteus	Job1	\$1450	\$1600 <input type="checkbox"/>
	Melinda	Other	\$ 300	\$ 300 <input checked="" type="checkbox"/>
	Jax	Job2	\$1000	\$1000 <input checked="" type="checkbox"/>


	<u>Name</u>	<u>Income Source</u>	<u>Annual</u>	<u>Interface</u>
Expedited Income Path	Charmaine	Worx	\$42,000	\$42,000 <input checked="" type="checkbox"/>

STEPS:

1. Enter Income
2. Income Interface
3. Reasonable Compatibility – Proactive, or Letter?
4. Reporting Changes on Closed Expedited Records

Reporting Changes to Income

Expedited Threshold Amount

 Español Help Exit

About Your Income

Household Income

2016

For your Tax Household, which includes **Charlotte**, tell us if your expected modified adjusted gross annual household income is more than the amount listed below.

If you're not sure or your income may be very close to the amount below, please select "I Don't Know".

***2016 will be more than \$16992.00**

Yes No I Don't Know

2017


For your Tax Household, which includes **Charlotte**, tell us if your expected modified adjusted gross annual household income is more than the amount listed below.

If you're not sure or your income may be very close to the amount below, please select "I Don't Know".

***2017 will be more than \$16992.00**

Yes No I Don't Know

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Reporting Income Changes (after using expedited income path)

Scenario 1 – Income has gone up. Clients need to go to report my changes. They will not be presented with an expedited path threshold, but will have the prompt asking if they can estimate income or not. If yes, select that option and enter new expedited income.

Scenario 2– Income has gone down. Clients need to go to report my changes state that they cannot estimate their income. After getting to the Job/Self-Employment page, they will have to **Add** the Job Income record. This will delete the former expedited Income record, and replace it with the new job record. These clients will not see the Expedited Income path again in the future.

Scenario 3 – Client lost Job, has no income. The only way to end an expedited income record is to create a new income record. The client must report an income change, and create an income record, based on their final paycheck. Because there is no option to report the date of job loss, they will need to report another change to end that job record, after the first changed is submitted.


Nuanced Income Considerations

- What Income Counts?
- Minister Income
- Sponsor Income
- Other Income
- Social Security Income (Taxable vs. Non-Taxable)
- Rental Income
- Self-Employment Tips

☑ Countable vs. Non-Countable Income

Due to multiple agencies, and multiple program rules, we cannot provide a list of Income exclusions. However, help text provides guidance.

More About Matteus's Other Income

You have told us that Matteus gets or will get money from Other Income. Answer the questions below to tell us more about this payment. If you get this type of payment only a few times a year, choose monthly and estimate how much this payment would be each month. Do not include income you have reported already on this application. 

✓ Start

✓ People

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Don't include the following:

- Child support
- Gifts
- Supplemental Security Income (SSI)
- Veterans' disability payments
- Workers' compensation
- Proceeds from loans (like student loans, home equity loans, or bank loans)

For more information on reporting your income, see IRS Publication 525.

For the income type you selected, if you don't remember the exact date the income started, give your best estimate.

If you don't see the answer on this list, please choose monthly. If you choose monthly, please estimate the total amount you would get each month.

If the amount changes with each payment, please just estimate how much you get on average. For example, if someone receives more than one Social Security payment, click the "Yes" button. If they don't, click the "No" button.

It may be helpful to review your U.S. Individual Income Tax Return form 1040. Make sure you answer the questions with the correct income amount depending on the frequency you select within the question. You will have an opportunity in the summary screen to enter an actual annual amount for income if the system's annualized amount is different than the actual amount of the income for the year.

☑ Minister Income

Pay Period

* How often does Jessica get paid? This is Jessica's pay period. ?

Every 2 weeks ▾

Tell us how many hours Jessica works in a week. ?

40

* When was the most recent paycheck received?

03/04/2016 

Gross Pay

* Tell us the total gross pay that Jessica gets each pay period. By gross pay, we mean the amount Jessica earns before taxes or anything else is taken out of the pay check. By pay period, we mean the time between each pay check. ?

\$ 1450.00

Does Jessica receive pay for being a minister as part of this gross pay?

Yes No

*What portion of the total gross pay entered above is housing allowance?

\$ 400

Tell us the total gross pay that Jessica got or will get this month as a one time payment from this employer. ?

\$

- **Updated Help Text on Job Income Help Page:** “If you are a minister who receives both a salary and a designated housing allowance for your work as a minister, that housing allowance may not count as income when determining if you qualify for some Medical Assistance programs.”

✓ Start

✓ People

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6 Submit

Household Annual Income and Expenses/Deductions

We have automatically estimated your annual income, expenses, and deductions for 2016 based on the information you have provided us. If you think this amount will be different for 2016, please enter that amount in the Actual Annual Amount field for each record.

Income Calculation

Job Income

Who Has It	Company Name	Reported	Annual	Actual Annual Amount for 2016	Actual Annual Amount for 2017
Jessica	Ministry	\$1050.00 Monthly*	\$12600.00	<input type="text" value="\$12600.00"/>	<input type="text" value="\$12600.00"/>


*This amount does not include your housing allowance

Sponsor Income

Currently, Sponsor Income is not captured in PEAK, and is not being requested for Medical Assistance Applications.

If clients are applying for Food or Cash programs in addition to Medical Assistance, the Sponsor Income will be requested during the interview.

☑ Other Income

Español Help Exit

More About Jessica's Other Income

If you have income from sources other than a job or self-employment, answer the questions on this page.

If you came to this page by mistake, click the button below to clear this page and go back to the Other Income screen.

[Return to Other Income](#)

You have told us that Jessica gets or will get money from Other Income. Answer the questions below to tell us more about this payment. If you get this type of payment only a few times a year, choose monthly and estimate how much this payment would be each month. Do not include income you have reported already on this application. ?

***What category of other income does Jessica get or will get money from?**

< click here to choose >

< click here to choose >

- Adoption & Refugee
- Loans, Annuities, Dividends
- Other
- Payments for Family
- Private Disability
- Retirement
- Social Security
- Unemployment Insurance Benefit
- Worker's Comp Permanent
- Rental
- Room & Board

Other Income?

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☑ Other Income – Payments for Family

PEAK

More About Jessica's Other Income

If you have income from sources other than a job or self-employment, answer the questions on this page.

If you come to this page by mistake, click the button below to clear this page and go back to the Other Income screen.

[Return to Other Income](#)

You have told us that Jessica gets or will get money from Other Income. Answer the questions below to tell us more about this payment. If you get this type of payment only a few times a year, choose monthly and estimate how much the payment would be each month. Do not include income you have reported already on this application.

What category of other income does Jessica get or will get money from?

Payments for Family

What type of Payments for Family income does Jessica get or will get money from?

< click here to choose >

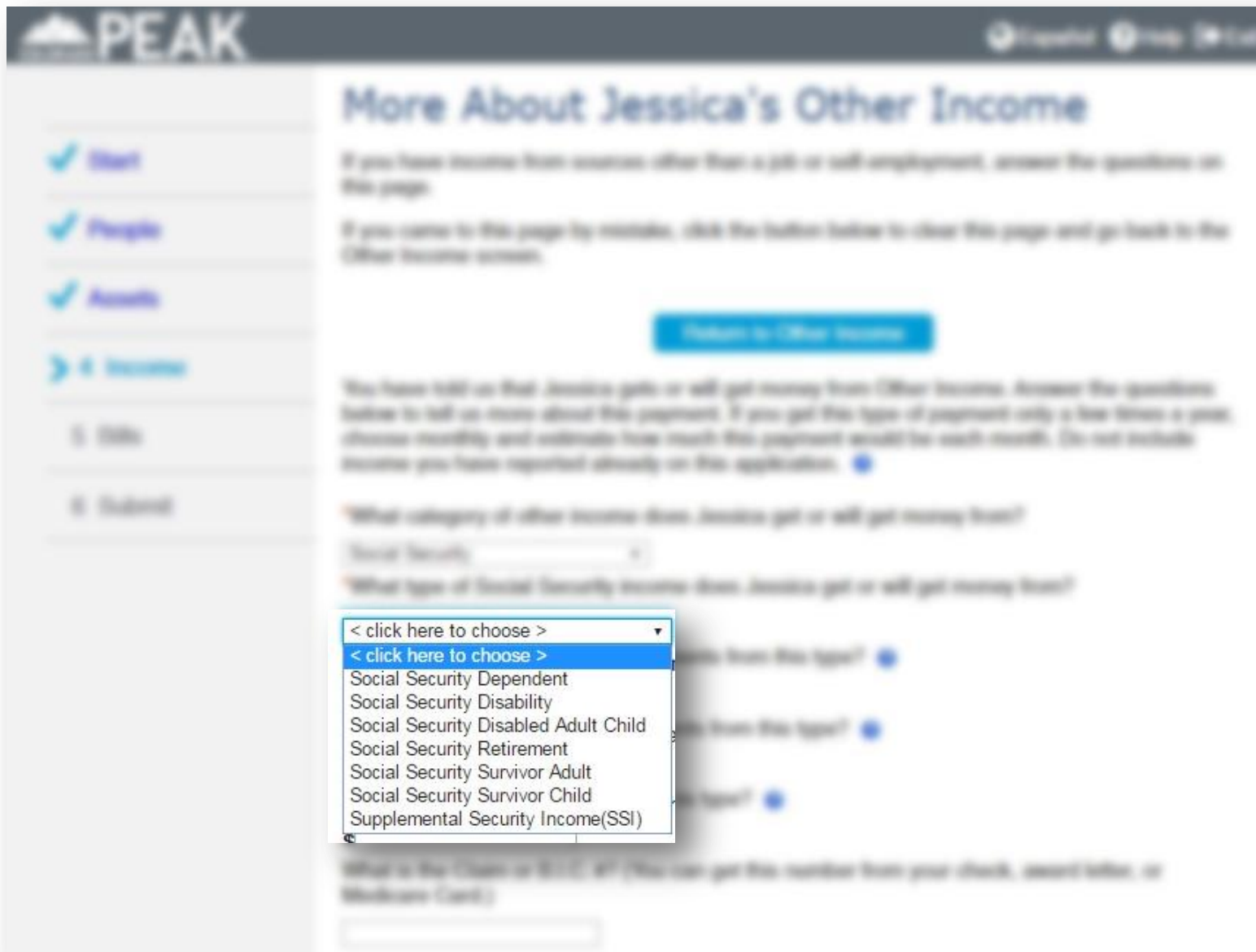
< click here to choose >

Child Support Payments

Kinship Care Payments

Alimony Payments

☑ Social- Security Income



PEAK

More About Jessica's Other Income

If you have income from sources other than a job or self-employment, answer the questions on this page.

If you come to this page by mistake, click the button below to clear this page and go back to the Other Income screen.

[Return to Other Income](#)

You have told us that Jessica gets or will get money from Other Income. Answer the questions below to tell us more about this payment. If you get this type of payment only a few times a year, choose monthly and estimate how much the payment would be each month. Do not include income you have reported already on this application.

What category of other income does Jessica get or will get money from?

Social Security

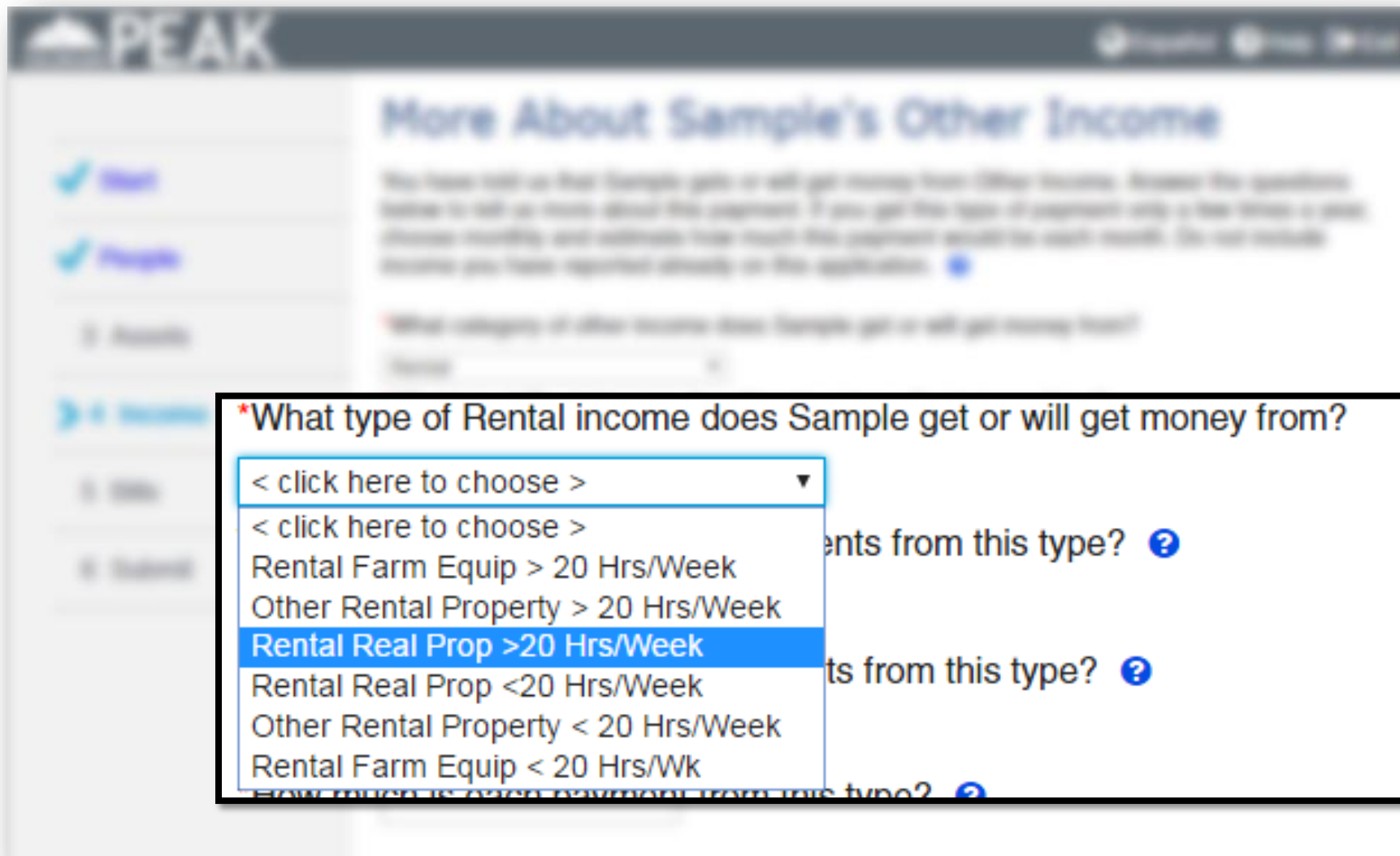
What type of Social Security income does Jessica get or will get money from?

- < click here to choose >
- < click here to choose >
- Social Security Dependent
- Social Security Disability
- Social Security Disabled Adult Child
- Social Security Retirement
- Social Security Survivor Adult
- Social Security Survivor Child
- Supplemental Security Income (SSI)

What is the Claim or E.O. #? (You can get this number from your check, award letter, or Medicare Card.)

Enter Gross – Per the award letter.

☑ Rental Income



The screenshot shows the PEAK application interface. The main heading is "More About Sample's Other Income". Below this, there is a question: "*What type of Rental income does Sample get or will get money from?". A dropdown menu is open, showing the following options:


- < click here to choose >
- < click here to choose >
- Rental Farm Equip > 20 Hrs/Week
- Other Rental Property > 20 Hrs/Week
- Rental Real Prop >20 Hrs/Week**
- Rental Real Prop <20 Hrs/Week
- Other Rental Property < 20 Hrs/Week
- Rental Farm Equip < 20 Hrs/Wk

The option "Rental Real Prop >20 Hrs/Week" is highlighted in blue. The background of the application is slightly blurred, showing a sidebar with navigation options and a main content area with a question and a dropdown menu.


Property managed more than 20 hours/week should really go in the self-employment category, so that certain expenses related to the rental can be deducted.

☑ Self-Employment Tips

More About Johnny's Self-Employment

You have told us that Johnny is self-employed. Answer the questions below to tell us more about this self-employment. You will be asked to provide proof of your business earnings and expenses. 

Self-Employment

* What type of self-employment does Johnny have? 

Sale of Livestock/Poultry 

What is the name of Johnny's self-employment business?


Johnny's Happy Cows

* Is Johnny the only owner of this business? 

Yes No

How many owners are there (Including Johnny)?

2


What percent of the business does Johnny own? 

49

Is this a home based business? 

Yes No

When did Johnny start this self-employment business?

03/31/2008 

✓ Start

✓ People


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How many owners are there (Including Johnny)?

What percent of the business does Johnny own? 

Is this a home based business? 

Yes No

When did Johnny start this self-employment business?


 

If this self-employment has ended or will soon end, please tell us the self-employment end date.

How many hours a week is Johnny self-employed? If Johnny's hours are not regular, please try to estimate the number of hours.

Gross Pay

* How much money does Johnny's self-employment business make **each month**? Please give us the amount that the business earns before any taxes, deductions, or expenses are taken out. 

\$

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✓ Start

✓ People

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More About Johnny's Self-Employment

Does Johnny have any monthly self-employment expenses?

Yes No

Only include monthly expenses directly related to your business, no personal expenses are allowed. If you have questions on filing out this table, you can go to www.irs.gov/schedulec to get Schedule C of the 1040 form and its instructions.

*Enter the amount of costs in this category that are not accounted for under Cost of Goods Sold.

Self-Employment Expenses

Type	Monthly Amount
<input type="checkbox"/> Bad Debts ?	
<input type="checkbox"/> Business Equipment Cost* ?	
<input type="checkbox"/> Home Owners Assoc. Fee ?	
<input type="checkbox"/> Car and Truck Expenses ?	
<input type="checkbox"/> Cost of Goods Sold ?	
<input type="checkbox"/> Depreciation ?	
<input type="checkbox"/> Insurance ?	
<input type="checkbox"/> Interest ?	
<input type="checkbox"/> Labor/Employee Salaries* ?	
<input type="checkbox"/> Legal and Professional Fees (Including Commissions and Fees) ?	
<input type="checkbox"/> Pension Plans ?	
<input type="checkbox"/> Rent or Lease ?	
<input type="checkbox"/> Reimbursing Your Employees for Expenses ?	
<input type="checkbox"/> Taxes and License ?	
<input type="checkbox"/> Travel, Meals, and Entertainment ?	
<input type="checkbox"/> Other (ex. Advertising, supplies and materials, utilities)* ?	

Type**Monthly Amount**

- Bad Debts [?](#)
- Business Equipment Cost* [?](#)
- Home Owners Assoc. Fee [?](#)
- Car and Truck Expenses [?](#)
 - Car Repairs \$0
 - Car Loan Payments (interest only not principle)
 - Transportation [?](#)
- Cost of Goods Sold [?](#)
 - Livestock Purchase \$3000
 - Merchandise Wholesale - 'cost of inventory'
 - Cost of Goods Sold \$200
- Depreciation [?](#)
 - Depreciation of equipment \$0
 - General Depreciation
- Insurance [?](#)
- Interest [?](#)
- Labor/Employee Salaries* [?](#)
- Legal and Professional Fees (Including Commissions and Fees) [?](#)

Household Annual Income and Expenses/Deductions

We have automatically estimated your annual income, expenses, and deductions for 2016 based on the information you have provided us. If you think this amount will be different for 2016, please enter that amount in the Actual Annual Amount field for each record.

Income Calculation

Self-Employment Income


Who Has It	Company Name	Monthly	Annual	Actual Annual Amount for 2016	Actual Annual Amount for 2017
Andrew	Andrew Business LLC	\$4250.00	\$51000.00	<input type="text" value="\$36400.00"/>	<input type="text" value="\$51000.00"/> ?

Expenses / Deductions Calculation

Self-Employment Expenses

Who Has It	Type	Company Name	Monthly	Annual	Actual Annual Amount for 2016	Actual Annual Amount for 2017
Andrew	Equipment	Andrew Business LLC		\$0.00	<input type="text" value="\$500.00"/>	<input type="text" value="\$0.00"/> ?
Andrew	Upkeep of equipment/labor	Andrew Business LLC	\$45.00	\$540.00	<input type="text" value="\$450.00"/>	<input type="text" value="\$540.00"/> ?
Andrew	Merchandise Wholesale - 'cost of inventory'	Andrew Business LLC	\$150.00	\$1800.00	<input type="text" value="\$2500.00"/>	<input type="text" value="\$1800.00"/> ?
Andrew	Insurance Premiums	Andrew Business LLC	\$250.00	\$3000.00	<input type="text" value="\$3000.00"/>	<input type="text" value="\$3000.00"/> ?

- ✓ Start
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Colorado **PEAK**
Español Help Exit

Medical Assistance Application Summary

You have provided the following information for your Medical Assistance application.

Basic Information

Applicant	Date of Birth	Edit
Johnny CattleRancher	07/09/1970	
Address		
555 CR 58	Johnstown ,CO 80534	
Contact Information	Email Address	Correspondence Preference
303-555-5555		
Programs Requested		

Income Information

Self-Employment

Annual Amount

[Edit](#)

Johnny

\$ 100000.00

Self-Employment Expenses

Type

Annual Amount

Johnny

Car Repairs

\$ 800.00

Johnny

Livestock Purchase

\$ 6000.00

Johnny

Cost of Goods Sold

\$ 2400.00

Johnny

Depreciation of equipment

\$ 1000.00

Johnny

Legal and Professional Fees

\$ 200.00

Johnny

Business Expense

\$ 1200.00

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When to Question the System

Updated: Medical Assistance Results



- ✓ Application Review
- 2. Results**
- 3. Voter Registration
- 4. Account

Andrew's Income calculation

Month 07/2016

	Amount
Gross Earned Income	\$1,179.17
Earned Income Disregard	-\$0.00
Net Earned Income	\$1,179.17
Gross Unearned Income	\$0.00
Unearned Income Disregard	-\$0.00
Net Unearned Income	\$0.00
5% Standard Disregard	-\$0.00
Total Expenses	-\$0.00
Total Deductions	-\$0.00
Total Net Income	\$1,179.00

Total Net Income	Net Income Standard
\$1,179.00	\$1,317.00

Note: IRS deduction limits may have been applied to the amounts you entered

Note: If you have income from self-employment, seasonal employment, or commission-based employment, your Gross Earned Income on this page may be different from the monthly income you reported earlier in the application.

Programs

Status

Approved

Approved

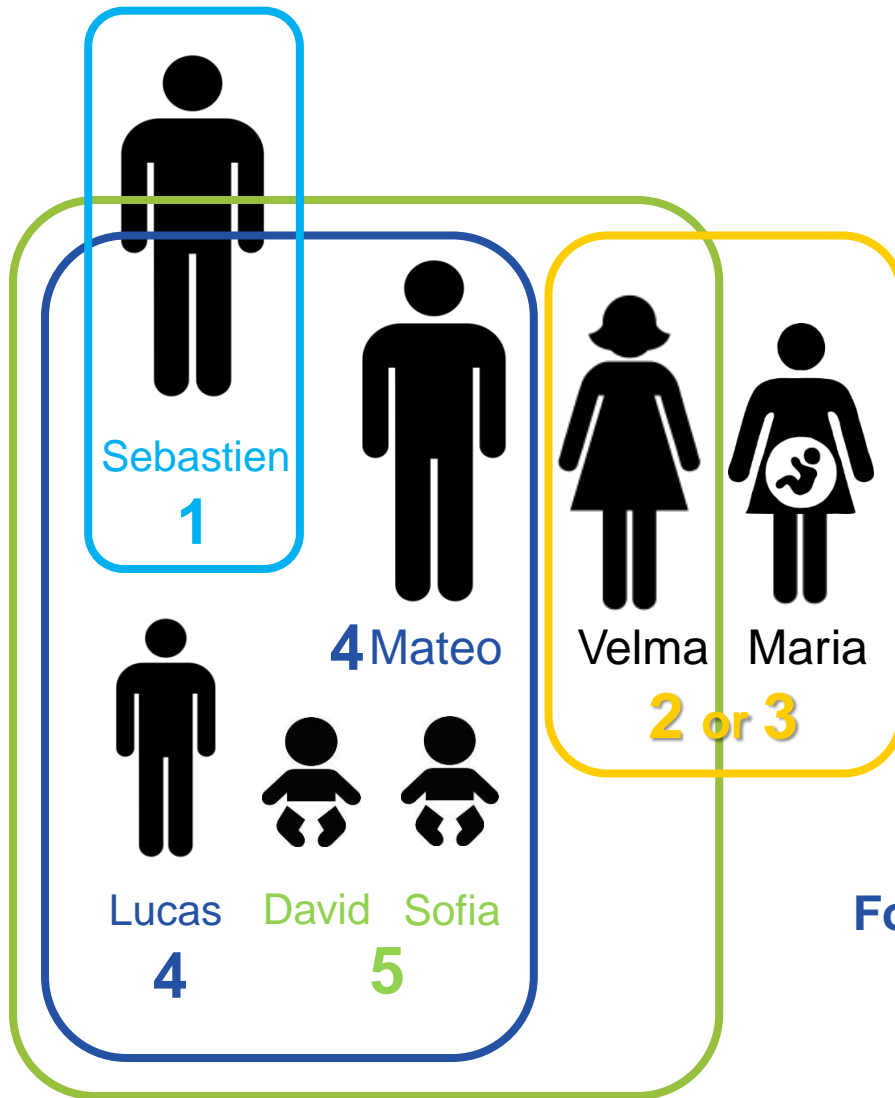
Approved

will not be able to shop for a Open Enrollment unless you apply for Tax Credit if you your application was sent

However, if you used your "ard" butto

You may be asked to talk with an application worker by phone or in person in order to get benefits.

Example 3



- Mateo & Velma live together and living with them are:
 - David and Sofia, their children
 - Lucas, Mateo's son
 - Maria, Velma's pregnant daughter
 - Sebastien, Mateo's father
- Mateo and Velma are not married.
- Sebastien, Mateo and Velma file taxes.
- Mateo claims Lucas, David and Sofia.
- Velma claims Maria.

Four differently sized MAGI households

Scenario Breakouts

Marcus comes in to apply for assistance and tells you that he is working full-time. When you are presented with the Expedited Income Pathway, the question asks if he will make more than \$16,200 this year. He says he not sure. You start entering his income in the Standard Income Path.

He is paid every week, and makes \$340 weekly. After moving forward to the actual annual income page, you notice that the system calculated his annual income as \$17,680 – which is over the income threshold for Health First Colorado.

The client tells you he just started this job in August, and was unemployed the rest of the year. What do you need to do?

Q: What do you need to do to correctly capture the 2016 income?

\$340 X number of weeks he will be paid in 2016

\$340 X 18 = \$6,120.

His annual amount being lower than 100% FPL will push him into Health First Colorado eligibility for the remainder of 2016. He will be eligible to shop on the Marketplace with APTC/CSR starting January 2017.

Britney is Nurse, her husband is stay-at-home Dad to their son Peyton. Britney applied for tax credits without the help of an assistor or Broker.

On the Expedited Income path screen, she indicated that her income would be \$54,000 – which is her taxable income amount after all write-offs and deductions.

After receiving tax credits and enrolling in a plan, she received a letter stating that her income was higher than reported and she needs to provide a response as to why (Reasonable Compatibility Speed Letter).

Q: Please explain to Britney why she received the letter. What might happen next?

A: She entered her Taxable Income amount instead of her Adjusted Gross Income amount (line 37). When the income interface came in, her income appears to be much higher than what she reported on her application. She will have to respond to the letter and her tax credits will likely be adjusted. She may also owe money back to the IRS for taking too much in tax credits.

Melinda is a firefighter who works Forest Fires in the summertime. She does most of her work from May – October and is off from November to April every year.

She makes about \$60,000 every summer, but during Open Enrollment, she has \$0 income. (She lives on her savings.)

Q: How will you enter her income?

A: Expedited pathway – enter 60,000 annually.

Q: What if she is not presented with the Expedited Income Path?

A: She will list her summer income under Past Employment (\$60,000) with no current employment being reported. Based on \$0 current income, she would be approved for Health First Colorado. She would have to report her job income when it resumes in May, which would open a Special Enrollment Period for her.

Contact Us



www.peakoutreach.com



peakoutreach@bouldercounty.org