



Policy Clarification 2017-10-03

Title: Earnings that include Overtime, Bonuses, Tips, or Commissions

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Program(s) impacted: All Medical Programs

The purpose of this document is to clarify how to enter earnings records into KEES when the earnings include regular wages along with either overtime, bonuses, tips, or commissions.

When a consumer self-attests on their application to multiple types of earnings, such as wages and overtime income, data acceptance creates two different income detail records. An income detail record should be accepted or created for each income type reported. If the income is verified through Reasonable Compatibility in Tier 2, then no changes are needed to the income records.

However, if the income is not reasonably compatible and staff must proceed to Tier 3/Tier 4, when income is entered into KEES from hard copy income verification, it is entered as outlined below. *Please note, the term 'other' is being used to include overtime, bonuses, tips, or commissions.*

- If the other income is received on the same frequency and/or same check as the regular wages, it should be included in one Income Detail record with the regular pay.
 - Example 1: Consumer receives regular wages and overtime, both on a weekly basis. Income was not reasonably compatible, so paystubs were used. 4 paychecks provided, all include overtime income. Because the regular earnings and overtime are received on the same check/frequency, they will be combined into one income record on KEES. Staff would remove the previous Earnings–

Overtime record and change the Earnings-Wages record to reflect the full gross from the paychecks (including the OT).

- Example 2: Same situation as Example 1, however when the four paystubs are provided, overtime is only showing on 3. This is handled in the same manner as Example 1. Because the regular earnings and overtime are received on the same check/frequency, they are combined into one income record on KEES. One paycheck will just have a smaller gross income because overtime was not worked that week.
- If the other income is received on a separate check, or any frequency that differs from the frequency of the regular pay, then the income would be entered into separate Income Detail records.
 - Example 1: Consumer receives biweekly wages and a monthly bonus. The gross wages and gross bonus will be entered as two separate Income Detail records to account for each type and frequency.
 - Example 2: Consumer receives monthly wages and a monthly commission, but they are received on two separate paychecks. The gross wages and commission will be entered as two separate Income Detail records to account for each type and frequency.