

# Do I qualify?

## Income Guidelines for Patients

A person shall be determined to be “low-income” based on the following income criteria. The income ranges are applicable for calendar year 2015 and will be updated each year in accordance with the Federal Poverty Income Guidelines as provided by the Federal Office of Management and Budget. Patients must be at or below 200% of the federal poverty level & have NO form of insurance (including Medicare, Medicaid & private.)

## Size of Family Poverty Guidelines: 2017

2017 FPL and Family Size							
Family Size	100% Annual FPL	138% Monthly FPL	138% Annual FPL	139% Monthly FPL	139% Annual FPL *	200% Monthly FPL	200% Annual FPL
1	12,060	1,387	16,643	1,397	16,763	2,010	24,120
2	16,240	1,868	22,411	1,881	22,574	2,707	32,480
3	20,420	2,348	28,180	2,365	28,384	3,403	40,840
4	24,600	2,829	33,948	2,850	34,194	4,100	49,200
5	28,780	3,310	39,716	3,334	40,004	4,797	57,560
6	32,960	3,790	45,485	3,818	45,814	5,493	65,920
7	37,140	4,271	51,253	4,302	51,625	6,190	74,280
8	41,320	4,752	57,022	4,786	57,435	6,887	82,640
Each Additional person	4,180	481	5,768	484	5,810	697	8,360

\*People making more than 139% FPL might be directed to the federal health exchange depending on what level of assistance they qualify for.

## Proof of Income Documentation

Proof of each type of income that each family member receives must be provided during the screening process. All proof of all income statements requested must be provided before a patient is eligible to receive services from Access Now or Community Pharmacy.

<b>INCOME SOURCE</b> (Document all sources)	<b>DOCUMENTATION OPTIONS</b>	<b>NOTES</b>
Food Stamps, General Relief, HUD Assistance (rent vouchers)	Award letter from Social Services or Section 8 Housing	This is the only income documentation needed!
<b>Employed Regular</b> (consistent each payday)		
Paid Monthly	Most current month's paystub Letter from employer  Most recent tax return if no changes to current income	On letterhead or notarized including gross earnings, hourly pay, average hours worked Can be obtained from the IRS at 1-800-829-1040
Paid twice monthly or biweekly	Most current month's paystubs (2) Letter from employer Most current tax return if no changes	See above See above
Paid weekly	Most current month's paystubs (4) Letter from employer Most current tax return if no changes	See above See above
<b>Irregular</b> (hourly or seasonal)	Current two months' paystubs Letter from employer	If income varies month to month, may need last 3 months' paystubs Tax return may supplement paystubs if income is the same If no paystubs are available, a letter from employer on letterhead stating monthly gross pay
<b>Self- Employed</b>	Most current tax return with Schedule C	May need food and shelter letter or self-declaration letter if income is below personal expenses
<b>Unemployed</b>		
Receiving unemployment benefits	Benefits award letter from the Unemployment Commission Copy of checks or bank statement showing deposit from prior month	Can get a copy of the letter from 804-786-1485.
Not receiving unemployment	Signed Statement of	Needs to state how they are

benefits	Unemployment form	currently living with no income, e.g. food and shelter letter or self-declaration letter.
Living with someone providing food, shelter, other expenses	If from church or other organization must be on letterhead and doesn't need notary	
Disability	Benefits award letter from Social Security or private insurance company	Can get SSI letter from Social Security by calling 800-772-1213 or 804-934-4570 or through <a href="http://www.ssa.gov">http://www.ssa.gov</a>
<b>Additional Income Sources</b>		
Alimony	Copy of court order or check or self-declaration letter if money is paid in cash.	
Child Support	Copy of court order or check or self-declaration letter if money is paid in cash.	

### **Income tax returns may be required under the following circumstances:**

- The most recent tax return may be needed to establish the size of the family unit if the head of household has dependents that would not normally be included in the definition of the family unit defined in the guidelines. If the tax return is being used to establish the size of the family unit, the income information need not be current.
- Patients who have seasonal or irregular work may use their tax return in addition to recent paystubs if they are currently employed in the same capacity.
- In general, recent paystubs are considered to be the preferred documentation of recent income, but the tax return may be used as a supplement if an insufficient number of paystubs is available and the documents support one another.
- Self-employed persons may have only the tax return to document income. In this case, line 22 added to income listed in lines 15a, 16a and 20a are considered income. However, if the income listed is extremely low and does not explain how the patient is managing living expenses, then an explanation will be required (e.g. a food and shelter letter or a self-attestation).
- Income tax returns must be signed.

## **Glossary of Terms**

**1040 Form plus Schedules:** Federal tax return form. If the patient is self-employed, or if the patient reports that there has not been a change in income or employment status since the most recent year's tax return, you can use these tax forms for proof of income. The 1040 must reflect an entire year of employment at the same job to be useful for validating income. The 1040 is

also helpful for establishing the size of the family unit. The tax return must be signed by the head of household indicated on the form.

**Alimony** - Support paid by one ex-spouse to the other as ordered by a court in a divorce (dissolution) case. Payment of alimony is usually limited in time based on the number of years of marriage. Lengthy marriages may result in a life-time of payments. A substantial change in circumstance, such as illness, retirement, or loss of income, can be grounds for the court to grant a modification or termination of the payment. Failure to pay ordered alimony can result in contempt of court citations and even jail time. The level of alimony can be determined by written agreement and submitted to the court for a stipulated order. Income tax-wise, alimony is deductible as an expense for the payer and charged as income to the recipient. Child support is not alimony. **For the purpose of our screening, alimony is counted as income for the person who receives it. It can not be subtracted from the gross income of the person who pays it.**

Child Support - Court-ordered funds to be paid by one parent to the custodial parent of a minor child after divorce (dissolution) or separation or a finding of parentage is established. Usually the dollar amounts are based on the income of both parents, the number of children, the expenses of the custodial parent, and any special needs of the child. It may also include health plan coverage, school tuition or other expenses, and may be reduced during periods of extended visitation such as summer vacations. Child support generally continues until the child reaches 18 years, graduates from high school, is emancipated (no longer lives with either parent), or, in some cases, for an extended period such as college attendance. The amount and continuation of support may be changed by the court upon application of either party depending on a proved change of circumstance of the parents or child. Child support should not be confused with alimony (spousal support) which is for the ex-spouse's support. Child support is not deductible from gross income for tax purposes (but may allow a dependent exemption) nor is it taxed as income, unlike alimony, which is deductible by the payer and taxed as the adult recipient's income. **For the purpose of our screening, child support is counted as income for the family that receives it. It can not be subtracted from the gross income of the person who pays it.** If a patient receives child support, they can be a print out from the Division of Child Support Enforcement Web site for last month, copies of all child support checks received last month, a signed statement from the absent parent stating how much they pay each month, or a recent court order.

**Family Unit** is the basis for determining family income. A minor is a person who is less than 18 years of age whose parent(s) is/are responsible for his or her care. A single family unit may consist of:

- A husband and wife with or without their minor dependents.
- A single individual and his/her minor dependents.
- An individual with no minor dependents.
- A separation need not be officially legal for an individual to be counted as single if the spouse has no financial responsibility for the patient or vice versa. The separation should be noted in the application.
- An individual who is between the ages of 18 and 23 who is a full time student and declared as dependent on the parent's tax return will be considered a part of the family

unit if it is documented on the parent's most recent tax return. If the parent/s do not claim this person on their tax return, he/she will be considered his/her own household.

- Other persons (e.g. elderly, disabled) who live in the same household and are declared as dependents on the head of household's tax return will be considered part of the family unit if it is documented on the most recent tax return.
- Any persons claimed on a tax return even if they do not live in the same household may be considered part of the household

*When individuals reside with other persons who are not their spouses or their minors, each shall be considered a separate family unit.*

Examples of separate family units include:

- Elderly person/s are considered a separate family unit even when they live in the home of their adult children or a relative unless declared as a dependent on a household member's income;
- A mother (18 and over) and her dependents although living with her parents or another relative;
- The child of an unemancipated minor who lives with her mother and grandparent/s (in other words, if a 16 year old has a baby and still lives with his/her parents, the baby is a separate unit until the mother is 18);
- A minor placed in foster care;
- A minor living with a legal guardian is considered a separate family unit if the guardian does not have financial responsibility;
- Unrelated individuals living together or as co-habiting partners, and a husband and wife who are legally separated are considered separate family units, regardless of physical residence (e.g. only the person who claims the children on his/her tax return is considered a family unit, the other person is a household of one).

**FAMIS:** Virginia's SCHIP program which is jointly funded by the state and the federal government, that reimburses hospitals and physicians for providing care to eligible children and some of their family members.

**Food, Shelter and Support Letter:** If a patient is living with someone who is providing food, shelter or other expenses, a notarized letter stating what kind of support the patient is receiving must be provided. The letter must be signed and notarized by the person providing the support. If an organization is supporting the person (e.g. a shelter or a church), the letter must be written on letterhead and does not need to be notarized.

**Food Stamp Award Letter:** If a patient receives food stamps, they will have a letter or form documenting that he/she is eligible for Food Stamps, which can be accepted as proof of income. If the person no longer has the letter, a copy can be obtained from Social Services. Food stamps are not considered income.

**Letter from Employer:** For patients who do not have pay stubs, the employer can send in a letter stating the gross earnings for the patient, including the average hours worked and rate of pay per hour. This must be on company letterhead, or notarized.

**Letter from Social Services Agency:** If a patient is already receiving general relief, food stamps or other benefits from Social Services, a letter from the agency stating the patient's situation can be accepted as proof of income.

**Medicaid:** A program jointly funded by the states and the federal government, that reimburses hospitals and physicians for providing care to qualified people who are disabled, medically needy, and to low income families with children and pregnant women with infants.

**Medicare:** National health insurance program created and administered by the federal government to address the medical needs of people 65 years of age and older and some people with disabilities who are under 65.

**Pay stubs:** If pay is regular/salary, then one month of verification is needed (i.e., four/five pay stubs if paid weekly, two if paid bi-monthly). If the patient's income is hourly or varies, then at least two months of verifications will be required. If income varies substantially the patient needs to provide three months of income so that an average can be established, and the patient can be offered the best opportunity for eligibility screening. Be aware of seasonality and certain occupations that may receive higher pay or more hours during certain months.

**Retirement Benefits** - A monthly payment made to a person who is 'vested' in an employer owned retirement plan and who has met all the eligibility requirements necessary to retired from work with that employer.

**Section 8/HUD Housing:** Privately owned dwelling units participating in the low income rental assistance program. Under the program, landlords receive rent subsidies from the government on behalf of qualified low-income tenants allowing the tenants to pay a limited proportion of their incomes toward the rent.

**Social Security:** The comprehensive federal program of benefits that provides workers and their dependents with retirement income, disability income and other payments. The social security tax pays for the program.

**Supplemental Security Income (SSI):** This program pays benefits to disabled adults and children who have limited income and resources. It is a monthly stipend paid by the federal government out of general tax revenues administered by the Social Security Administration and is based on need. SSI benefits also are payable to people 65 and older without disabilities who meet the financial limits.

**Unemployment Benefits** - The unemployment insurance system, created by the Social Security Act of 1935, is administered by each state, with oversight by the U.S. Department of Labor (DOL). Federal law provides the guidelines, but Virginia determines many requirements related to eligibility, benefit levels, and tax rates. In order to qualify for benefits in Virginia, a person

must have earned enough wages in covered employment during the base period. The amount of wages earned will determine the weekly benefit amount and the maximum number of weeks (12 to 26 weeks) for which a person is entitled.

If a patient is receiving unemployment benefits, the patient must provide the award letter from the VEC which contains the date benefits began, the amount of benefits, the duration of the benefits, and any requirements the recipient must follow while receiving benefits.

**Virginia Coordinated Care for the Uninsured (VCC):** This is a joint effort between the VCU Health System and the city of Richmond to provide eligible, low income people with access to physicians and hospital services. It is for people living in the cities of Richmond, Petersburg, Colonial Heights and Hopewell, as well as, the counties of Henrico, Hanover, Chesterfield.

**Wages/Salary/Self-Employment:** A form of payment from an employer to an employee.