DETERMINING FINANCIAL ELIGIBILITY

Financial eligibility shall be determined by comparing the family income and size to the CYSHCN financial eligibility guidelines.

Verifying Income:

- Federal Internal Revenue Service (IRS) income tax information shall be used to verify income.
- Income consists of the Adjusted Gross Income (AGI) reported on the applicant/participant’s Federal IRS income tax form.
  - If the applicant/participant appears as a dependent on another person’s IRS income tax form, use the AGI reported on the income tax form on which the applicant/participant appears as a dependent.
- When a child is in foster care and is in the legal custody of the state, income is reported as zero (0).
- When a participant/family is not required to file a Federal IRS tax form, the income is reported as zero (0).
- When it is not possible to use the AGI of the person who claims the applicant/participant as a dependent, use the following default process to determine whose AGI should be used in calculating financial eligibility:
  - Use the AGI of the person assigned medical financial responsibility if the court has assigned medical financial responsibility, or
  - Use the AGI of the individual having “physical custody” of the participant if the participant lives with someone other than both parents (i.e., one parent, relative, friend, etc.), or
  - Use the AGI of the individual who has assumed medical responsibility if the participant is in a court-ordered situation and the person assigned medical financial responsibility is out of compliance with the court order, or
  - If the participant has no determinable responsible person or fits none of the examples, consult with the Program Manager to determine whose AGI to use.
- An estimated income may be substituted for the AGI when the income tax information is not reflective of the family's current financial status.
  - The income tax information shall be considered non-reflective of the current status when a change has been in effect for at least three (3) months or when the family separates and the custodial adult has been deprived of access to the non-custodial adult’s income for three (3) months or more.
  - Use the actual income to date (calendar year) as evidenced by pay stubs or other documentation and estimate the rest of the yearly income.
  - If income is requested to be estimated for a second consecutive year, a written request for consideration must be made to the Program Manager.
- For participants filing a Federal IRS tax extension, use a written estimation of income provided by the participant/responsible party.
  - The AGI from the tax form must be entered as soon as the taxes are filed but no longer than six (6) months from the tax extension file date.
• For participants applying for an Individual Tax Identification Number (ITIN), use the estimated income.
• All financial verification documents and calculations must be retained in the participants’ records.

Family Size:

• If the income is reported as zero (0), the family size is one (1).
• If the income is reported from the IRS income tax form, the family size is the number of all persons listed on the income tax form.
• Increase the family size by one (1) for each additional family member enrolled in a SHCN Program.

Computing Financial Eligibility:

• Locate the family size on the Financial Eligibility Guidelines found on the AFER Secure Website.
• If the family income exceeds the maximum eligible income for the family size, the participant is not financially eligible.

Annual Financial Eligibility Review (AFER):

• Participants enrolled in Paid Service will be reviewed for continued financial eligibility on an annual basis.
• The AFER process will be conducted each year from January 1st through June 30th.
• Detailed information on the AFER process can be accessed on the AFER Secure Website.