

10-01-16 ERDC Accuracy Review Process Examples and Key Points
Statewide Targeted Reviews
Updated 9-30-16

Earned Income: Income incorrectly calculated by \$25 or more; incorrect entry on UCMS/CMUP of \$25 or more; omission of income such as tips, commission, and bonuses; failure to address different types of pay on paychecks (OT, shift differentials, etc.); inclusion of federal work study income; incorrect treatment of “in kind” income; exclusion of cash medical support; failure to use a month’s worth of representative income; failure to narrate why less than a month’s worth of representative income was used; pay verification not in file (unless verified by phone and documented); incorrect use of payment frequency (2, 2.15, 4.3); net pay used instead of gross; failure to resolve conflicting income information on the application, interview, narration, pay verification, or other system screens (including not addressing when paystubs show increase in the hourly rate of pay). Not applying the correct income limit. *Income may be calculated differently for SNAP than for ERDC.* = **(Error)**

Action needed when income is not correct. Note: If the incorrect income changes the co-pay by \$1.00 or results in being over the income limit it will result in an error for federal reviews (QC).

Note: When initial month income is significantly lower or higher, the initial month is still used to calculate an average for ERDC budgeting. When a client gets a new job, in most cases their initial month will be significantly lower compared to ongoing months. The number of months used should be 12 months.

Example: Client paid at minimum wage, DOR 12/15. This is a new job for the client, they **will be paid for** 75 actual hours for December ($75 \times \$9.25 = \693.75). The ongoing income is anticipated at 35 hours per week ($35 \times \$9.25 \times 4.3 = \1392.13) Determine average EML ($\$693.75 + (\$1392.13 \times 11 \text{ months}) = \$16,007.18 / 12 \text{ month's} = \$1,333.93$ EML coded for the ERDC certification.

Example: DOR month 9/16 – new job begins and UC ends. The family has no other income. The initial month includes 2 UC checks (\$239, \$170) and 1 paycheck anticipated for 5 days, 8 hours per day @ \$11.75 per hour (no tips) = \$470. The ongoing income is anticipated at 40 hours per week @ \$11.75 per hour ($40 \times 4.3 \times \$11.75 = \2021.00).

Income coded for ERDC certification:

UC= \$34.08 ($\$239 + \$170 / 12 \text{ months}$)

EML= \$1891.75 ($\$2021 \times 11 \text{ months} + \$470 / 12 \text{ months}$)