
**DEPARTMENT
POLICY****All Programs**

This item identifies both of the following:

Which income types are considered earned.

Which earned income types are excluded or counted for each type of assistance.

To create a new income record, go to the income questions screen and answer **yes** to the appropriate question for that income type. This will add the appropriate income-related logical unit of work (LUW) to the driver flow and cause Bridges to consider this income.

To view or change an existing income record, select the appropriate income related LUW from the left navigation.

**Logical Unit of
Work (LUW)**

An income related LUW is a series of data collection screens. Completion is required to collect the information needed to determine countable income.

Data entered in an LUW is not saved until all screens in the LUW are completed and saved. Use the tabs across the top of the Bridges screens to identify which screens are contained within the LUW.

Income data is not considered in the eligibility result until eligibility determination/benefit calculation (EDBC) is run. Income data does not affect benefit issuance until eligibility results are certified for that program.

**STRIKERS'
COUNTABLE
EARNINGS****Food Assistance Program (FAP) Only**

If an individual is on strike, pre-strike and current wages both must be entered in the Bridges Employment LUW. Bridges will count the higher of:

The earnings of the individual prior to the strike.

The individual's current earnings.

Note: Strike benefits other than wages are unearned income; see [Bridges Eligibility Manual \(BEM\) 503, Income Unearned](#).

STUDENT EARNINGS DISREGARD

All Programs

This disregard applies to all sources of earned income including wages and training income. It ends the month after the student stops meeting a requirement (Example: month after reaching age 18).

Note: There is a different disregard for Workforce Innovation and Opportunity Act (WIOA)-funded training income; see *Training Income*.

Bridges continues the student earnings exclusion during school breaks and vacations as long as the student plans to return as indicated by student's education details in Bridges.

See [BEM 400, Assets](#), for the asset exclusion policy.

Family Independence Program (FIP), Refugee Cash Assistance (RCA), State Disability Assistance (SDA), Child Development and Care (CDC) and FAP Only

Bridges disregards the earnings of an individual who is all of the following:

- Under age 18.
- Attending elementary, middle, high school, homeschooled, or attending classes to obtain a GED.
- Living with someone who provides care or supervision.

Low-Income Family Medicaid (LIF) Only

Bridges disregards the earnings of a dependent child in the LIF eligibility determination group (EDG).

Group 2 Pregnant Women (G2P), Group 2 Under 21 (G2U) and Children Under 19

Bridges disregards the earnings of an individual under age 19 who is living with someone who provides care or supervision.

EARNED INCOME TYPES**All Programs**

In addition to the earned income types identified in this item, income from self-employment is considered earned; see [BEM 502, Income From Self-Employment](#).

Sometimes income from rental/room and board is considered earned income; see [BEM 504, Income From Rental/Room and Board](#).

AMERICORPS**AmeriCorps/
VISTA**

Volunteers in Service to America (VISTA) is now called AmeriCorps/ VISTA. This is a Domestic Services Volunteers Act, Title I program.

Family Independence Program (FIP), Refugee Cash Assistance (RCA), State Disability Assistance (SDA), Child Development and Care (CDC) and Medicaid (MA)

These payments are excluded as income and as assets.

FAP Only

These payments are countable income.

Exception: If the client was receiving FAP when they joined AmeriCorps/VISTA, these payments are excluded as income.

**AmeriCorps
Community
Service**

AmeriCorps, a national community service program, encompasses AmeriCorps State, AmeriCorps*National and AmeriCorps*NCCC.

Participants in these programs may receive any or all of the following:

- Living allowance.
- Child care allowance.
- Health insurance.
- Services to individuals with disabilities.
- National service education award.

FIP, RCA, SDA, CDC and FAP

Bridges excludes all allowances and benefits as income and as assets.

Medicaid

Bridges counts the living allowance as wages and excludes all other allowances and benefits as income and assets.

GREEN THUMB/ SENIOR COMMUNITY SERVICE EMPLOYMENT

All Programs

Bridges excludes income earned under the senior community service employment program (example: Green Thumb) established by Title V of Public Law 100-175 (Older Americans Act). These payments are excluded as income and as an asset.

HONORARIUMS

All Programs

An honorarium is a voluntary payment received for services rendered as distinguished from employment income (examples: guest speaker, participant in MDHHS advisory committee). Some or all of the payment might be reimbursement for expenses; see [BEM 500, Income Overview](#).

MDHHS Honorarium

An MDHHS-paid honorarium is a reimbursement and excluded.

Other Honorarium

Bridges counts any amount not meeting the definition of a reimbursement as earned income; see *Wages*.

**S CORPORATION (S
CORP)/LIMITED
LIABILITY COMPANY
(LLC)****All Programs**

Bridges counts the income a client receives from an S-Corp or LLC as wages, even if the client is the owner; see *Wages*.

Refer to BEM 503, regarding dividends and interest paid to an individual from an S-Corp. or LLC.

**SENIOR
COMPANION**

This is a Domestic Services Volunteers Act, Title II program. Payments are excluded earned income under Title II of Public Law 93-113. Bridges excludes as income and asset.

TRAINING INCOME**All Programs**

The training program decides if payments are from the Workforce Innovation and Opportunity Act (WIOA) and if payments are for on-the-job training (OJT). If a payment includes WIOA and Non-WIOA funds, apply appropriate policy below to the separate portions.

See [BEM 400](#).

**On-the-Job
Training (OJT)**

Bridges counts OJT (or paid work experience) income as earnings.

Exceptions:

- Bridges disregards OJT income received under the Summer Youth Employment and Training Program.
- Bridges disregards OJT if received by an individual who is **any** of the following:

- Under age 18.
- Age 18 and living with someone providing care or supervision.
- For LIF only, age 19 and a dependent child.

Workforce Innovation Opportunity Act (Not OJT)

Bridges excludes payments from WIOA training income that are **not** for OJT.

Other Training Income

Training income that is not specifically addressed in policy is countable earned income. This includes vocational training or training allowances that cannot be excluded due to being OJT, WIOA funded, MRS or reimbursements.

UNIVERSITY YEAR FOR ACTION

All Programs

This is a Domestic Services Volunteers Act, Title I program. Payments are excluded earned income under Title I of Public Law 93-113. These payments are excluded as income and as an asset.

WAGES

All Programs

Wages are the pay an employee receives from another individual organization or S-Corp/LLC. Wages include salaries, tips, commissions, bonuses, severance pay, and flexible benefit funds not used to purchase insurance.

Enter an employee's regular wages paid during a vacation or illness as earned income.

Enter a wage advance as earnings when the employer actually pays it. Do **not** count the money withheld to offset the advance.

Enter wages held by the employer at the request of the employee. Bridges will count as earnings. However, wages held as a general practice by the employer are **not** income until actually paid and should not be entered in Bridges until anticipated or received.

Exception: Income received in one month that is intended to cover several months (for example contractual income) is considered available in each of the months covered by the income; see [BEM 505, Prospective Budgeting/Income Change Processing](#), or [BEM 503](#), Bridges counts gross wages except as explained in this item for:

- *Earned Income Tax Credit (EITC).*
- *Flexible Benefits.*
- *Striker's Countable Earnings.*
- *Student Earnings Disregard.*
- *Census Workers.*

Census Workers

FIP, RCA, SDA, CDC, SSI- Related, Group 2 Medicaid and FAP Only

Bridges excludes wages paid for temporary census workers.

MAGI Medicaid

Temporary census income is taxable, earned income, therefore, it is countable in a MAGI determination.

Earned Income Tax Credit (EITC)

All Programs

Some individuals elect to receive a portion of an anticipated EITC in regular pay checks. Do not include these amounts in the earned income pay details entered in Bridges. Advance payments of the EITC are excluded as income and as assets.

Flexible Benefits

Some employers give employees a flexible benefit allowance from which they may choose to purchase health insurance.

Flexible benefit amounts used to purchase insurance are excluded as income. Do not enter such amounts in Bridges.

Include any flexible benefit payments included in an individual's paycheck and **not** used to purchase insurance, in the amounts entered in pay details. They are considered wages.

Independent Living Services (ILS)

Enter income as wages for an individual who provides ILS (also known as adult home help) as earned income. This income is not counted for the individual receiving the service.

Military Combat Pay

FAP Only

Military combat pay is paid to military personnel as a result of deployment to a combat zone. Bridges excludes military combat pay for FAP. Determine the excluded income amount by calculating the difference between the military pay received by the household before and after the military individual's deployment to the combat zone; see Exhibit I - Designated Combat Zones.

Enter *Combat Pay Period Amount* on the pay details screen in Bridges.

Members of Clergy & Other Religious Workers

MAGI Medicaid Only

Ordained, commissioned, or licensed ministers of the gospel may be able to exclude from income tax the rental allowance or fair rental value of a parsonage that is provided to them as pay for their services.

The church or organization that employs the individual must designate the payment as a housing allowance before the payment is made. The housing allowance may be indicated on the W-2 and/or paystubs.

A housing allowance that is not taxable is not counted in a MAGI Medicaid eligibility determination.

**TANF-Funded
Subsidized
Employment
Income****FIP, RCA, CDC and FAP**

All TANF-funded subsidized employment income in the form of wages, regardless of the source of TANF funding, is countable earned income.

**Military
Subsistence
Supplemental
Allowance****All Programs**

The Subsistence Supplemental Allowance is paid to certain military personnel. Payments appear on the leave and earnings statement. Count the allowance as earned income by including them in wage amounts entered in Bridges.

Work Study**All Programs**

The wages that are earned as part of a post-secondary education financial assistance package are excluded.

**VERIFICATION
REQUIREMENTS****All Programs**

Note: Equifax Verification Services (formerly known as the Work Number) is **not** an automated system match which must be checked at application, redetermination, semi-annual or mid-certification contact. The client has primary responsibility for obtaining verification. However, if for example, verification of income is not available because the employer uses Equifax Verification Services and won't provide the employment information, it is appropriate to use the Equifax Verification Services Number.

FAP Only

If the income information from Equifax differs from what the client reported, verification must be requested or a documented discussion with the client must be completed.

Do not deny or terminate assistance because an employer or other source refuses to verify income; see [BAM 130, Verification And Collateral Contacts](#).

All Programs, except Children Under 19

Verify non-excluded earned income at all of the following:

- Application, including a program add, prior to authorizing benefits.
- At member add, only the income of the member being added.

Note: See [BAM 220, Case Actions](#), for CDC member add requirements.

- Redetermination.
- When program policy requires a change be budgeted.

Exception: For FIP, RCA, SDA, CDC and FAP, verify income that decreases or stops. Do not verify starting and increasing income unless income change information is unclear, inconsistent, or questionable. Select **starting or increasing income** as the verification source. Selecting **client statement** as the verification source results in Bridges incorrectly pending eligibility and generating a Verification Checklist.

Children Under 19

Income and expenses are **not** verified for Children Under 19 MAGI-related Medicaid. Client statement is an acceptable verification source for income and expenses.

COMMON VERIFICATION SOURCES

See [BEM 500](#), for common verification sources.

**SPECIFIC
VERIFICATION
SOURCES****Independent Living
Services Income**

- Consolidated Inquiry with a statement from the individual receiving the service (also known as adult home help) if there are any co-pays.
- Statement from individual receiving the service.

**Military Combat
Pay****FAP Only**

- Military individual's leave and earnings statement (LES).
- Orders issued to military individual.
- Client's statement of the amount of combat pay received from the military.
- Any other reasonable method of verifying deployment to a combat zone; see *Exhibit I - Designated Combat Zones*.

Tips

- Pay stub if client confirms the accuracy of the amount listed on the pay stub. (Tips shown on pay stubs are often a percentage of sales for tax purposes.)
- Client statement.

**Wages, Salaries,
and Commissions****All Programs**

- Check stubs or earnings statement.
- MDHHS verification of employment forms, for example MDHHS-38, Verification of Employment.
- Employer signed statement providing all necessary information.

- Employer generated work schedule, when pay frequency, pay day and rate of pay are known. When this source is used, select **other acceptable** as the verification source.
- Equifax Verification Services (formerly known as the Work Number).
- Employment services contractors including the one-stop service center, the work participation provider and refugee employment services contractors.
- Starting or increasing income. Select this verification source when an individual reports starting or increasing income, other than at application or redetermination. No VCL will be produced.
- Federal income tax forms and schedules are allowable for Medicaid determinations.

**EXHIBIT - DESIGNATED COMBAT ZONES
EXECUTIVE ORDER 12744**

Country	Effective Date
Arabian Sea Portion that lies North of 10 degrees North Latitude and West of 68 degrees East Longitude	January 17, 1991
Bahrain	
Gulf of Aden	
Gulf of Oman	
Iraq	
Kuwait	
Persian Gulf	
Qatar	
Oman	
Red Sea	
Saudi Arabia	
United Arab Emirates	

EASTERN

Country	Effective Date
Turkey	January 1, 2003 - December 31, 2005
Israel	January 1 - July 31, 2003
Eastern Mediterranean	March 19 - July 31, 2003
Jordan	March 19, 2003
Egypt	March 19 - April 20, 2003

EXECUTIVE ORDER 13239

Country	Effective Date
Afghanistan	September 19, 2001

DIRECT SUPPORT OF EXECUTIVE ORDER 13239

Country	Effective Date
Pakistan	September 19, 2001
Tajikistan	September 19, 2001
Jordan	September 19, 2001
Incirlik Air Force Base Turkey	September 21, 2001- December 31, 2005
Kyrgyzstan	October 1, 2001
Uzbekistan	October 1, 2001
Philippines (only troops with orders that reference OEF)	January 9, 2002
Yemen	April 10, 2002
Djibouti	July 1, 2002
Somalia	January 1, 2004

EXECUTIVE ORDER 13119 PUBLIC LAW 106-21 ESTABLISHING KOSOVO AS QUALIFIED HAZARDOUS DUTY AREA

Country	Effective Date
The Federal Republic of Yugoslavia (Serbia/Montenegro)	March 24, 1999
Albania	
The Adriatic Sea	
The Ionian Sea north of the 39th parallel	

PUBLIC LAW 104-117 ESTABLISHING A QUALIFIED HAZARDOUS DUTY AREA

Country	Effective Date
Bosnia	November 1995
Herzegovina	
Croatia	
Macedonia	

LEGAL BASE

FIP

MCL 400.1 et. seq.

SDA

Annual Appropriations Act
Mich Admin Code, R 400.3151– 400.3180

RCA

45 CFR 400.66

CDC

The Child Care and Development Block Grant (CCDBG) Act (42 USC § 9858 et seq.), as amended by the CCDBG Act of 2014 (Pub. L. 113-186).

45 CFR Parts 98 and 99
Social Security Act, as amended 2016

MA

Social Security Act Sections 1902(a)(10), 1931

42 CFR 435, Subparts H and I

MCL 400.106

The Affordable Care Act (Pub. L. 11-148) and the Health Care and Education Reconciliation Act (Pub. L. 11-152).

FAP

7 CFR 273.9

Child Care and Development Block Grant of 1990, P. L. 101-508,
Section 5105(a)(3)

P. L. 108-447