



Income Verification Overview

kynect references various federal and state data sources to verify information provided on an Individual's benefits application. If income information differs by 10% or more from income records gathered through these data sources, a Request for Information (RFI) is generated which requires the Individual to provide additional documentation to verify their income. Based on this information, the Individual's reported income may change, which may impact APTC eligibility.

Why might an Individuals' income be changed from the projected income on their application?

- An Individual's reported income is verified by cross-checking multiple state and federal data sources.
- If an Individual's reported income varies 10% or more from what is found in data sources or uploaded documentation, a request for information (RFI) is sent to the member.
- A DCBS Caseworker may update income as applicable if the required documentation has been uploaded to the kynect benefits dashboard using the Document Wizard.

Example: If the Individual states that their income is \$1000 per month, the provided documentation (wage stub, tax return, etc.) should reflect an income of \$1000 per month.

- If the Individual is unable to supply documentation that matches the reported income, they can include a written note/statement explaining why they anticipate the income to be higher/lower. The DCBS caseworker can use that note to justify any changes that may differ from documentation uploaded.

Example: If the Individual expects their wages to increase due to a raise or if the Individuals' tax return is different than what they expect their current income to be, then they may provide their income on a written statement.

Proof required for	Example	
<p>APTC Income Verification</p>	<ul style="list-style-type: none"> • Award letter • Business/Rental income records • Collateral Contact • Court Document • Employer statement • IRS Income Reporting Form (1099, etc.) 	<ul style="list-style-type: none"> • Pay Stubs • Statement from person/agency/financial institution • Tip log • Tax Return • Tribal Statement regarding income





If the Individual has projected a higher income during the application process, is KHBE required to change the Individual's projected income to the lower tax return income for the APTC calculation?

The state is required to request and process verification if the information on the application is not compatible with other data sources.

Do DCBS caseworkers review tax returns and change the projected income?

Yes, a DCBS caseworker will review the verification documents provided and information available from other data sources. Income amounts are adjusted as applicable.

Does CHFS notify enrollees that their projected income amount was changed and explain how the revision will impact the Individual's federal taxes at the end of the year?

Yes, after the DCBS caseworker enters the revised income amounts based on the provided documentation, the Individual's eligibility is re-calculated and a new notice of eligibility is generated if the amount of APTC has changed or if the Individual becomes eligible for a different program.

Note: Individuals may update the amount of APTC applied to their coverage at any time, the carrier will receive the update and apply it to the next feasible month (Prior to the 16th of the month it can be used the next month; after the 15th the month it can be used the month following the next month).

Reminder:

Tax documents from the previous years are sometimes the most current information available.

APTC is reconciled with your taxes at the end of the year. If you're advanced too much, you may have to pay some back and if you receive too little you may receive a credit.

Income verification may impact the amount of APTC an Individual qualifies for which may impact an Individual's member contribution*.

*The member contribution (also referred to as member responsibility) is the amount the Individual is responsible for paying. The member contribution is the Individual's monthly premium minus the APTC amount applied.

