

MISSISSIPPI DIVISION OF MEDICAID

Eligibility Policy and Procedures Manual

200.09.04 WAGE ADVANCES AND DEFERRED WAGES

Wage advances are payments by an employer to an individual for work to be done in the future. An advance is wages in the month received.

Wages are considered “deferred” if they are received later than their normal payment date. Types of wage payments that may be deferred include vacation pay, dismissal and severance pay, back pay and bonuses.

Wages that are deferred due to circumstances beyond the control of the employee are considered earned income when actually received;

Wages that are deferred at the employee’s request or by mutual agreement with the employer are considered earned income when they would have been received had they not been deferred.

200.09.05 VERIFICATION OF WAGES

Verification of wage amounts and frequency of receipt is required whenever an individual alleges he received wages, sick pay or temporary disability payments. The burden of proof is on the client; however, the specialist must provide assistance if the client is unable to secure evidence of wages.

The most common methods of verifying wages include:

Pay stubs which show the individual’s name or SSN, gross wages and period covered by the earnings. Use other evidence to resolve discrepancies if pay stubs appear altered or are questionable, if all pay stubs are not available or pay stubs do not contain necessary information.

Wage verification from an approved wage verification company like the Work Number, which also can be used to verify termination of wages.

Written (DOM-355, Request for Verification of Wages) or verbal statement of wages from the employer documented in the case record. This method also can be used to verify termination.

W2s, if no other verification is available and the client alleges earnings will be about the same. Use of W2s should be restricted to situations where employment is sporadic or there are multiple or a long succession of employers.