

	GEORGIA DIVISION OF FAMILY AND CHILDREN SERVICES MEDICAID POLICY MANUAL			
	Chapter:	2600	Effective Date:	June 2020
	Policy Title:	Contract Employees		
Policy Number:	2659	Previous Policy Update:	MT 1	

REQUIREMENTS

Income received from contractual employment is averaged over a 12-month period if the income is not received on an hourly or piecemeal basis.

BASIC CONSIDERATIONS

Contractual employment is defined as working for a period of time less than a year.

Contract employees include truckers, certain school employees and others who contract to work on a renewable annual basis.

The contract renewal process may involve one of the following:

- signing a new contract each year
- automatic renewal of a contract
- implied renewal precluding the use of a written contract

Contract employees are considered compensated for an entire year, even during predetermined non-work periods such as summer breaks or vacations.

Income received by contract employees is considered compensation for a full year, regardless of the frequency of pay stipulated in the terms of the contract.

PROCEDURES

Follow the steps below to determine the eligibility of a contract employee:

Step 1 Determine that the individual is a contract employee.

Step 2 Determine the frequency of pay to calculate the monthly gross income.

PROCEDURES (cont.)

- Step 3** Multiply the monthly gross income by the number of times received to determine the annual gross income.
- Step 4** Divide the annual gross income by twelve to determine the average monthly gross income.
- Step 5** Add the contract income to all other monthly income to determine the total gross monthly income.
- Step 6** Apply income deductions appropriate to the COA under which eligibility is being determined.

EXCEPTIONS: Do not apply the above budgeting procedures in the following situations:

- when payments are not made as specified in the contract
- a labor dispute interrupts the flow of earnings as specified in the contract.