

ECONOMIC IMPACT PAYMENT INFORMATION COMPENDIUM

Below are trade association and consumer resources regarding long term care resident rights related to stimulus payments. For all the trade groups: CAHCF, Leading Age, CALA, CARCH

Nursing Home Residents, Medicaid, and Stimulus Checks: What You Need to Know

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Under recent COVID-19 legislation, most nursing facility residents are receiving stimulus payments of up to \$1,200. The Internal Revenue Service will issue these payments in the same way that you receive your Social Security benefit (direct deposit or a paper check by mail).

This money belongs to you, not the nursing facility! This is true even if Medicaid pays for your care and services at the facility.

Will Stimulus Checks Affect My Medicaid Eligibility?

No. Under Medicaid rules, a **stimulus payment is not counted as income**. Therefore, receiving a stimulus payment does not change a resident's monthly payment (often called a "patient pay amount" or "share of cost"). The resident pays the same monthly amount to the nursing facility and keeps the stimulus payment for their own use.

In addition, **the stimulus payment does not count as a Medicaid resource for 12 months**. In other words, for the first year, the payment cannot cause you to have "too much" savings.

EXAMPLE:

An unmarried resident receives \$1,050 monthly Social Security benefit and has \$1,800 in savings. Each month she pays the nursing facility \$1,000 from her income, and keeps \$50 for personal needs.

After receiving the \$1,200 stimulus payment in May 2020, her payment obligation to the nursing facility does not change. She continues to pay \$1,000 monthly.

After receiving the stimulus payment, her savings will increase from \$1,800 to \$3,000. To retain Medicaid eligibility, she must spend down her savings to under \$2,000 within a year—before May 2021.

Are There Restrictions on How I Can Spend the Stimulus Money?

In general, a resident can spend the stimulus money as they wish, including gifts and charitable contributions. This is the resident's money to spend on their wants and needs.

When Will the Check Arrive?

The Internal Revenue Service (IRS) began sending stimulus payments on April 17, 2020. Checks are sent the same way checks are currently sent for persons receiving Social Security. All recipients of Social Security benefits, including retirement, survivors, disability (SSDI), and supplemental security income (SSI); Veterans Administration benefits; or Railroad Retirement benefits will receive payment automatically, without any action on their part. If someone is currently receiving benefits through direct deposit, the stimulus payment will arrive through direct deposit as well.

The IRS has created a [guide specifically for Social Security and SSI recipients](#) with questions about their stimulus payments.

Do I Need to File a Tax Return to Receive a Check?

Most residents will not need to do anything. Action is only required if the resident does NOT receive Social Security (including retirement, survivors, disability, and SSI), Veterans Administration, or Railroad Retirement benefits AND did not file a tax return in both 2018 and 2019.

What if I Don't Receive Federal Benefits and Didn't File a Tax Return in Both 2018 and 2019?

To receive your stimulus payment, you should [file online as soon as possible with the Internal Revenue Service](#) (blue button, mid-page).

More Information About the Stimulus Check

- [IRS: Economic Impact Payments: What You Need to Know](#)

Who Else Can I Contact?

Residents, their family, or facility staff can contact the [Long-Term Care Ombudsman program](#) or call the Elder Care Locator at 1-800-677-1116.

Please contact ConsultNCLER@acl.hhs.gov for free case consultation assistance. Sign up for our email list and access more resources at NCLER.acl.gov.

American Health Care Association (AHCA)/National Center for Assisted Living (NCAL) statement on stimulus payments to their SNF and AL member residents and resident rights with such.

http://www.longtermcareleader.com/2020/06/economic-impact-payment-guidance.html?utm_source=feedburner&utm_medium=email&utm_campaign=Feed%3A+blogspot%2FaaHN+%28LONG+TERM+CARE+LEADER%29

Economic Impact Payment Guidance

Skilled nursing facility (SNF) and assisted living (AL) residents were eligible for [Economic Impact Payments](#) (EIPs). EIPs are one-time payments of \$1,200.

The Internal Revenue Service (IRS) began issuing electronic EIPs on or about April 15 to people who received a tax refund electronically, and to the same account as the tax refund. If people did not get an electronic refund or no refund, the IRS sent the payment by mail.

Important questions have been raised about SNF and AL resident checks and management of these dollars. Below are FAQs and guidance:

Does the EIP payment impact Medicaid eligibility immediately?

No. Under Medicaid rules, a stimulus payment is not counted as income. Therefore, receiving a stimulus payment does not change a resident's monthly payment (often called a "patient pay amount" or "share of cost"). The resident pays the same monthly amount to the nursing facility and keeps the stimulus payment for their own use. In addition, the stimulus payment does not count as a Medicaid resource for 12 months. In other words, for the first year, the payment cannot cause you to have "too much" savings. After 12 months, EIP could push a resident over asset limits and result in the need to spend down to Medicaid asset limits. Medicaid asset limits are state specific.

Can Social Security benefit representative payees manage the EIP dollars?

No. Under the Social Security Act, a representative payee is only responsible for managing Social Security or SSI benefits. An EIP is not such a benefit. [A representative payee should discuss the EIP with the beneficiary.](#) If the beneficiary wants to use the EIP independently, the representative payee should provide the EIP to the beneficiary. If the beneficiary asks the representative payee for assistance in using the EIP in a specific manner or saving it, the representative payee can provide that assistance outside the role of a representative payee.

What if a beneficiary alleges a representative payee misused the economic impact payment (EIP)?

Because an EIP is not a Social Security or SSI benefit, SSA does not have authority to investigate or determine whether the EIP has been misused. However, if SSA receives an allegation that the EIP was not used on behalf of the beneficiary, SSA may decide to investigate for possible misuse of the beneficiary's Social Security or SSI benefit payments. SSA may also determine the representative payee is no longer suitable and appoint a new representative payee.

Are SNFs and ALs allowed to use EIPs dollars to pay resident bills?

The EIP dollars belong to the recipient and are at his/her discretion for use. Providers may not access these funds without the permission of a resident who is legally competent or, in the case of someone with a cognitive impairment, the permission of a court appointed guardian or other individual with power of attorney.

Are there other considerations for EIP and SNF and AL residents?

Yes. If the resident or legal representative uses the funds to cover any sort of resident expenses, evidence must document there was no coercion on the part of a family member, provider or other.

What should a resident do if she/he feels their EIP dollars have been misused?

A resident, family member or legal guardian can contact the [Elder Care Locator](#) network at 1-800-677-1116 for more information about local legal aid offices and your state's Protection and Advocacy System and State and Local [Long-Term Care Ombudsman Offices](#).

Please email COVID19@ahca.org for additional questions, or visit ahcancal.org/coronavirus for more information.

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Labels: [COVID-19](#), [Finance and Policy](#), [IRS](#)

Additionally, American Council on Aging

<https://www.medicaidplanningassistance.org/covid-19-stimulus-checks-impact/>

Stimulus Check Impact for Medicaid Beneficiaries

Nursing Home Residents

The receipt of a stimulus check by Medicaid beneficiaries who reside in nursing homes will not impact these individuals' Medicaid benefits. Stated differently, the receipt of the check will not disqualify them from Medicaid nursing home care. This is because Medicaid will not count the money as income, which means it cannot push one over Medicaid's income limit, and hence, result in the loss of Medicaid benefits.

While Medicaid-funded nursing home residents are required to surrender all of their income except for a personal needs allowance and a monthly maintenance needs allowance for a non-applicant spouse (if applicable) to Medicaid, the money from the stimulus check will not have to be surrendered to Medicaid. This is because, as mentioned above, the stimulus check is not considered as income by Medicaid. Rather, it can be thought of as a tax refund.

Furthermore, the stimulus check will not count as assets, given the money is spent within 12-months of receiving it. So, within this timeframe, a nursing home Medicaid recipient can have possession of the money and it will not impact one's Medicaid eligibility. However, it is imperative that the money, in its entirety, be spent within one year. If not, the money will count towards Medicaid's asset limit and can potentially push one over the limit, resulting in Medicaid disqualification.

The money can be spent by nursing home residents in a number of ways. For example, one might buy new clothing, purchase a television for his / her room, stock up on extra snacks, or purchase an irrevocable funeral trust. What one does not want to do is to buy assets that are counted towards Medicaid's asset limit. For instance, collectors coins would most likely be considered an investment and the value of them would be counted towards the asset limit, potentially causing one to be over the limit and lose Medicaid benefits.

The stimulus check will either be directed deposited in the nursing home resident's bank account or be mailed to the address on one's 2018 or 2019 tax return. To further clarify, if a refund was issued via direct deposit for one's tax return, the stimulus check will be directed deposited in the same bank account. If not, the check will go in the mail. Persons who do not have to file tax returns, such as Social Security recipients, will receive stimulus checks in the same manner in which they receive their Social Security benefits. Therefore, if one receives his / her Social Security payment by direct deposit, the stimulus check will automatically be received via direct deposit also.

AARP Article Regarding Residents Stimulus Money

<https://www.aarp.org/caregiving/financial-legal/info-2020/nursing-homes-medicaid-stimulus-checks.html>