

Long-Term Care Residents, Medicaid and Stimulus Checks

1. Will stimulus checks affect a resident's Medicaid eligibility?

The IRS defines the stimulus checks as tax rebates that will not be counted as income or resources for 12 months from receipt. If funds are unspent after 12 months of receipt, the unspent funds will be counted as a resource. Medicaid is automatically extended for all current Medicaid eligible individuals. Anyone who currently has benefits will not be denied during this period.

Medicaid spending rules still apply as these funds will fall in a "look-back period." KEEP **ALL** RECEIPTS of EXPENSES, especially for purchases of over \$200.

3. Examples of allowable spending

- Dental care, sitter care, assistive device not covered (e.g. battery oxygen device)
- Tablet, phone, TV, WIFI, reading material
- Clothing, shoes, hygiene supplies, haircuts
- Minifridge, snacks
- Burial contract with funeral home (not a burial insurance plan)
- Personal non-medical outings transport
- Expenses to move to community (if planned)

2. Will the stimulus check count as applied income?

No. As a tax rebate, the individual stimulus check will not be calculated as applied income. A person's applied income amount will not be changed by the payment.

4. Medicaid rules for spending

- Cannot give cash to friends, family, charity, churches
- Must spend in 12 months
- Must spend on an allowable asset or for resident care or quality of life
- Do not spend on services covered by Medicare/Medicaid**

Residents and Families,

More information about the Stimulus Check can be found

<https://www.irs.gov/newsroom/economic-impact-payments-what-youneed-to-know>

Stimulus checks are expected to start being distributed **April 17, 2020**. It will be sent the same way as social security checks are currently sent for persons receiving SSA and SSI-D. Action is only required by a resident who does not receive SSA or SSI-D, and who did not file a tax return in 2018 or 2019. They can check the link above for instructions. Full vendor residents who do not receive either SSA or SSI-D can register at this link: (blue button, mid-page) <https://www.irs.gov/coronavirus/non-filers-enter-payment-info-here>

Make sure all new purchases are

- 1.** Marked with the resident's name. For clothing, mark inside of collar or waistband.
- 2.** Put on the resident's inventory sheet with the facility, in case it is lost.
- 3.** Allowable by Medicaid. Have the facility's business office check with a Medicaid representative BEFORE purchasing.
- 4.** Supported with receipts. Give a copy of all receipts to the business office. Any expense over \$200 will likely need to be explained to Medicaid when renewing your application.

This information is provided by the Colorado Long-Term Care Ombudsman Program – advocates for long-term care residents. 303-722-0300

