

Long-term care residents' **Medicaid and stimulus checks 2020**



For Medicaid-eligible residents of a nursing or assisted living facility and their family members

Will a stimulus check affect a resident's Medicaid eligibility?

The IRS defines the stimulus check as a tax rebate that will not be counted as income or resources if it is spent within 12 months from receipt. If funds remain unspent after 12 months, 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 be calculated in a "look-back period." Keep all receipts of expenses, especially for purchases over \$200.

Will the stimulus check count as applied income?

No. As a tax rebate, the individual stimulus check will not be calculated as applied income in a nursing facility or copayment or room and board in an assisted living facility. A person's applied income or copayment amount will not be changed by the stimulus check.

Questions?

Contact the Office of the State Long-Term Care Ombudsman at **800-252-2412** or **ltc.ombudsman@hpsc.state.tx.us**

This information is provided by the State Long-Term Care Ombudsman Program who are advocates for long-term care residents.



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Who decides how a resident spends the money?

A resident has a right to manage his or her money or choose who manages it. If a resident chooses someone to manage their money, that person has a responsibility to spend the money on the resident's basic needs, including health care and clothing, before spending on other things the resident wants. If a facility manages the resident's money in a trust fund, the resident must approve each withdrawal from the trust fund account.

If a facility or facility staff member is acting as a representative payee for a resident, the representative payee manages only a resident's Social Security or Supplemental Security Income (SSI). The stimulus check is not Social Security or SSI.

Examples of allowable spending:

- Dental care, sitter care or an assistive device not covered.
- Tablet, phone, TV, Wi-Fi, reading material.
- Clothing, shoes, hygiene supplies, haircuts.
- Minifridge, snacks.
- Burial plan and burial items allowed by Medicaid.
- Personal non-medical outings transport.
- Expenses for moving into the community.

Medicaid rules for spending:

- Must spend in 12 months or it will be counted in the resource limit.

Residents and Families

Stimulus checks started being distributed in mid-April. They will be sent the same way that Social Security and SSI checks are currently sent. Action is only required by a resident who does not receive Social Security or SSI and who did not file a tax return in 2018 or 2019. They can check the IRS website for instructions. Full vendor residents who do not receive either Social Security or SSI can register on the IRS website.

Make sure all new purchases are:

- Marked with the resident's name. For clothing, mark inside of collar or waistband.
- Recorded on the resident's inventory sheet with the facility, in case the purchased item is lost.
- Allowable by Medicaid. Have the facility's business office check with a Medicaid representative BEFORE purchasing.
- 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.

More information about the stimulus check can be found on the IRS website at irs.gov/coronavirus/non-filers-enter-payment-info-here.