

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.



1201 L Street NW Washington, DC 20005
www.ahcancal.org



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