

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

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.