

MEDICAID INCOME GUIDANCE IN RESPONSE TO COVID-19

April 20, 2020

As individuals and families start receiving their COVID-19 stimulus payment from the Internal Revenue Service (IRS), the Department shares the following guidance related to reporting this payment and the effect on Medicaid programs and services.

MEDICAID

ARE ALL MEDICAID RECIPIENTS REQUIRED TO NOTIFY DHS WHEN THEY RECEIVE A STIMULUS PAYMENT?

Yes. All, changes, including income, must be reported.

HOW DOES THE STIMULUS PAYMENT AFFECT MEDICAID RECIPIENTS?

The COVID-19 stimulus payments to individuals and families is not countable income for Medicaid applicants and recipients. Stimulus payments not spent in the month it is received are excluded as a resource for 12 months.

IS THE STIMULUS PAYMENT TAXABLE INCOME AVAILABLE FOR CLIENT PARTICIPATION PURPOSES?

The stimulus payment is not taxable income, but a fully refundable advance tax credit. Client participation is the amount of income that an individual must pay to the long-term care facility monthly for their care. The stimulus payment will not be counted as income subject to client participation.

