

Economic Impact Payments in Personal Care Homes and Assisted Living Residences Frequently Asked Questions

The Internal Revenue Service (IRS) is distributing economic impact payments (or recovery rebates) as part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The Bureau of Human Services Licensing (BHSL) has received questions about how these payments will affect the Medical Assistance (MA) eligibility of OLTL participants and how these funds may be used. These questions are answered below.

Q1: How will residents of personal care homes and assisted living residences receive the economic impact payment?

A: The IRS has released guidance about the economic impact payments on their website at <https://www.irs.gov/newsroom/economic-impact-payments-what-you-need-to-know>. The website answers questions such as “Who is eligible for the economic impact payment?” and “How will the IRS know where to send my payment?” Please continue to check the IRS website for updates on the status of economic impact payments. Key information about economic impact payments will be posted at <https://www.irs.gov/coronavirus>.

Q2: When a resident receives the economic impact payment, may the home/residence charge more for the month that the resident receives the economic impact payment?

A: When calculating payment of rent for an SSI recipient or for a resident eligible for SSI benefits Regulations 2600.27 (b) and 2800.27(b) specify the administrator or staff persons may not include funds received as lump sum awards, gifts or inheritances, gains from the sale of property, or retroactive government benefits. The economic impact payment is classified as tax refund. Because the tax refund is a one-time payment, it should be treated as a lump sum. For all other residents, there should be no change to their monthly charges in their contract due to this payment.

Q3: May the home/residence keep a portion of the resident’s economic impact payment, as they do with the rent rebate funds?

A: No. The economic income payment is not a rent rebate and should not be treated as one.

Q4: Must the home/residence keep documentation of receipt of the economic impact payment if the home/residence manages the resident’s finances?

A: Yes.

Q5: For residents who receive Medical Assistance (MA), how will receipt of the economic impact payment affect participant resources? Will participants be over the resource limit for MA?



pennsylvania

DEPARTMENT OF HUMAN SERVICES

A: Please see the [How Economic Impact Payments Affect Office of Long-Term Living Participants](#) guidance here:

<https://www.dhs.pa.gov/providers/Providers/Documents/Coronavirus%202020/Economic%20Impact%20Payments%20and%20OLTL%20Participants%204-17-20.pdf>

Q6: For residents who receive MA, do these payments need to be reported as income for the month they're received? Will they count as income in the month they're received?

A: Please see the [How Economic Impact Payments Affect Office of Long-Term Living Participants](#) guidance here:

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