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GENERAL INFORMATION SYSTEM
DIVISION: Office of Health Insurance Programs

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TO: Local District Commissioners, Medicaid Directors

FROM: Lisa Sbrana, Director
Division of Eligibility and Marketplace Integration

SUBJECT: Impact of the Consolidated Appropriations Act of 2021 on Medicaid Financial Eligibility

EFFECTIVE DATE: Immediately

CONTACT PERSON: Local District Support Unit
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The purpose of this General Information System (GIS) message is to provide information on the impact of certain federal COVID-19 related payments on Medicaid eligibility determinations.

The Consolidated Appropriations Act of 2021 was signed into law on December 27, 2020. This Act included amending Section 2104 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 in response to the continued COVID-19 public health emergency. Federal Pandemic Unemployment benefits of \$300 per week have been authorized to eligible individuals who are collecting state Unemployment Insurance Benefits (UIB). Although income received through UIB is typically countable income under Modified Adjusted Gross Income (MAGI) and non-MAGI budgeting methodology, the Centers for Medicare and Medicaid Services (CMS) has advised Federal Pandemic Unemployment benefits are disregarded when determining eligibility for Medicaid. Other UIB payments received are still counted as income. These include traditional State UIBs, Mixed Earner Unemployment benefits and Pandemic Unemployment Assistance (PUA) earnings, under CARES Act section 2102, for individuals otherwise ineligible for traditional UIB, such as self-employed and part-time workers.

Additionally, section 6428A of the Consolidated Appropriations Act authorized an additional relief payment in the form of a refundable tax credit for 2020 to eligible individuals. The "recovery rebate" or "stimulus payment" is up to \$600 for single adults, \$1,200 for married couples filing jointly and \$600 for children under age 17. This stimulus payment is not taxable income and therefore not countable in MAGI-based eligibility determinations. For non-MAGI determinations, rebates are not countable as income and are an exempt resource for 12 months. After the 12-month period, any portion of the stimulus payment remaining is a countable resource.

CMS also advised that the \$300 weekly Pandemic Unemployment compensation payment and stimulus payments are not countable income (and are excluded as a resource for 12 months, if retained) for purposes of determining the amount of income to be contributed toward the cost of care under post-eligibility rules.

Please direct any questions regarding this GIS message to your local district support liaison.