



OPERATIONAL MEMO

TITLE:	OPERATIONAL MEMO FOR PROVIDER-OWNED RESIDENTIAL SETTINGS REGARDING THE HANDLING OF FEDERAL COVID-19 STIMULUS PAYMENTS
SUPERSEDES NUMBER:	N/A
EFFECTIVE DATE:	MARCH 27, 2020
DIVISION AND OFFICE:	OFFICE OF COMMUNITY LIVING
PROGRAM AREA:	SNF, ICF-IID, HCBS-ACF, HCBS-SLP, HCBS-GRSS, HCBS-IRSS HOST HOME
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Purpose and Audience:

The purpose of this Operational Memo is to inform Nursing Facilities (SNFs/NFs), Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF-IIDs), Home and Community Based Services (HCBS) Alternative Care Facilities (ACF), HCBS Supportive Living Programs (SLP), HCBS Group Residential Support Services (GRSS), HCBS Individual Residential Support Services—Host Home (IRSS—Host Home) of directions related to the handling of Federal COVID-19 Stimulus payments.

Information:

Section 2201 of the CARES Act provides an economic impact payment up to \$1200 per adult, and up to \$500 per child in a household. The economic impact payment is considered a refundable tax credit. The Internal Revenue Service was directed to provide this credit as an advance tax refund to eligible individuals in 2020.

Since the economic stimulus is considered an advance payment of a refundable federal tax credit, the economic stimulus is *not* countable income for the purposes LTC/HCBS Medicaid eligibility. Additionally, the economic stimulus will *not* be a countable resource for 12 months.

Impacts on Patient Payments

SNFs and ICF-IIDs: Stimulus payments shall not be considered in calculating patient payments. Facilities do not need to request updated 5615s in order to submit claim, and any 5615's received that include a stimulus payment that is not deducted from the patient payment should be sent back to the eligibility site for revision.

ACF and SLP: Stimulus payments shall not be considered in calculating Post Eligibility Treatment of Income (PETI) cost allocations.

GRSS and IRSS—Host Home: Stimulus payments shall not be considered in provider reimbursement calculations; all funds shall go directly to the resident or guardian, based on current processes in place for personal needs accounts.

Impacts on Personal Needs Accounts

All providers that act as a payee on behalf of resident must ensure that stimulus payments are deposited into the resident's personal needs account. Affected personal needs accounts will be allowed to exceed the applicable resource limit up to the amount received for a timeframe of 12 months, to allow residents to spend down their payments.

SNF and ICF-IIDs: Personal Needs Account audits conducted by the Department for this time period will include:

- Ensuring that patient liabilities were not increased for the stimulus,
- Ensuring facilities acting as a payee deposited funds into the personal needs account, and
- Exempt stimulus payments from the applicable resource limit.

Attachment(s):

None

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