

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

Updated August 2021

Under recent COVID-19 legislation, most nursing facility residents have received multiple stimulus payments.

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 participation (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**. In other words, 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 third \$1,400 stimulus payment in May 2021, her payment obligation to the nursing facility does not change, she continues to pay \$1000 a month.

After receiving the stimulus payment, her savings will increase from \$1,800 to \$3,200. She can hold on to her stimulus payment and retain Medicaid eligibility, but once she spends down her savings to under \$2,000, she must stay under that resource limit.

Are There Restrictions on How I Can Spend the Money?

In general, a resident can spend the money as they wish, including gifts and charitable contributions. This is the resident's money to spend on their wants and needs. Residents should, however, be careful about purchasing items that could increase in value (such as collectors' coins or stocks). Such purchases could be considered a Medicaid-countable resource and could risk a resident's Medicaid eligibility.

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, Veterans Administration and Railroad Retirement Benefits AND did not file a tax return for 2018, 2019, or 2020.

What if I Don't Receive Federal Benefits and Didn't File a Tax Return?

If you are not required to file a 2020 tax return, didn't file a return and don't plan to, you can use the new IRS [Non-Filer Sign-Up](#) tool to provide your information to the IRS to receive any of the three stimulus payments.

If you are required to file a 2020 tax return and have not filed yet, you can use the [IRS Free File](#) program or contact your [local VITA program](#) for assistance.

More Information

- IRS:
 - » [Q&A About First EIP](#)
 - » [Q&A About Second EIP](#)
 - » [Q&A About 2020 Recovery Rebate Credit](#)
 - » [Q&A About Third EIP](#)
- [COVID-19 Frequently Asked Questions \(FAQs\) for State Medicaid and Children's Health Insurance Program \(CHIP\) Agencies](#)

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, available for professionals assisting older adults. Sign up for our email list and access more resources at [NCLER.acl.gov](https://www.ncler.acl.gov).