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## Fact Sheet: Stimulus Payments for Nursing Home Residents

On March 11, 2021, Congress announced a third round\* of economic impact payments (also called stimulus checks or IRS payments) up to the amount of \$1,400. A stimulus payment is a payment issued by the government to every eligible citizen for the purpose of stimulating the economy. The IRS is in charge of sending stimulus payments to eligible individuals. Most nursing home residents will be eligible to receive the full payment of \$1,400. Here's what residents, their family, and advocates need to know.

*\*Congress announced a first round of economic impact payments on March 27, 2020 in the amount of \$1,200 and a second round of economic impact payments on December 20, 2020 in the amount of \$600.*

### How will residents get their stimulus payment?

Most residents will get their payment automatically. Residents who receive Social Security, Supplemental Security Income (SSI), and Railroad Retiree or Veteran Benefits will receive their payment in the same account where they receive their benefits. Residents who do not receive these benefits will have their payment sent directly to their bank account if they filed their 2019 or 2020 tax return with direct deposit and otherwise will receive a check or debit card in the mail to their address on file with IRS. If an individual receives their benefits on a Direct Express card, they should get their third payment directly on their Direct Express card.<sup>1</sup> If a resident or representative is unsure of where their payment was sent, they may visit "<http://www.irs.gov/coronavirus/get-my-payment>" to track their payment and/or ask their facility if a check was received.

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<sup>1</sup> Third Round of Economic Impact Payments for \$1,400 Being Sent, *National Center on Law & Elder Rights*, <https://ncler.salsalabs.org/thirdstimuluspayment?eType=EmailBlastContent&eid=aad9bfe5-21ec-4ee3-bfe3-6c342dd42012>

## What if you did not receive your first or second stimulus payment?

If you did not receive the first or second stimulus payment, you can still claim the payment by filing a 2020 tax return. The IRS has extended the deadline for filing a federal 2020 tax return until May 17, 2021.<sup>2</sup>

## Can a Nursing Home take a resident's stimulus payment?

No. The payment is for the resident and not the facility to spend. The Centers for Medicare & Medicaid Services, which is responsible for regulating nursing homes, has stated that it is prohibited for nursing homes to seize resident stimulus payments to pay for debts or for any other reason. It is common for nursing homes to act as representative payee for their residents and manage their income.<sup>3</sup> As such, they may not be aware that this is prohibited and may improperly intercept the payment. The payment belongs to residents and facilities must make it available to them to spend as they see fit. See the link to our blog at the end of this fact sheet for more information on what responsibilities nursing homes have when receiving these payments.

## Does the stimulus payment impact Medicaid eligibility?

No. The payment does not count as income towards government benefits including Medicaid, SSI, and other means tested programs for the first 12 months. However, if the funds are not spent within 12 months, the funds may be counted as an asset (resource) which could impact eligibility.<sup>4</sup> As the payments are not considered income they do not have to be given to the nursing home as part of the resident's Net Available Monthly Income (NAMI).

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<sup>2</sup> Third Round of Economic Impact Payments for \$1,400 Being Sent, *National Center on Law & Elder Rights*, <https://ncler.salsalabs.org/thirdstimuluspayment?eType=EmailBlastContent&eld=aad9bfe5-21ec-4ee3-bfe3-6c342dd42012>

<sup>3</sup> Nursing Home Residents' Right to retain Federal Economic Incentive Payments, *Centers for Medicare & Medicaid Services*, (June 11, 2020), <https://www.cms.gov/newsroom/press-releases/nursing-home-residents-right-retain-federal-economic-incentive-payments>

<sup>4</sup> Nursing Home Residents, Medicaid, and Stimulus Checks: What You Need to Know, *National Center on Law & Elder Rights*, [https://ncler.acl.gov/getattachment/Resources/Nursing-Home-Residents-and-Stimulus-Checks-\(1\).pdf.aspx?lang=en-US&eType=EmailBlastContent&eld=aad9bfe5-21ec-4ee3-bfe3-6c342dd42012](https://ncler.acl.gov/getattachment/Resources/Nursing-Home-Residents-and-Stimulus-Checks-(1).pdf.aspx?lang=en-US&eType=EmailBlastContent&eld=aad9bfe5-21ec-4ee3-bfe3-6c342dd42012)

## What can the stimulus payment be used for?

There are no limitations on what the funds can be used for and residents should spend them as they see fit. Examples of what residents may want to buy include: a cellphone or telephone in their room, television or other electronic devices, personal internet access, clothing, books, etc.<sup>5</sup> However, we do caution that residents may be at risk for financial exploitation and other forms of abuse. Additionally, residents may want to avoid spending the payment on items that would count as a resource and potentially impact their Medicaid eligibility (e.g. collectible coins).

## What should a resident do if their Nursing Home took their stimulus payment?

The resident should show the Operator of the facility the [Federal Trade Commission's blog](#) and demand that the stimulus payment be placed in the individual's personal needs account.<sup>6</sup>

If the Operator does not return the funds to the resident, contact:

**The Long Term Care Ombudsman Program (LTCOP):** LTCOP is an advocate and resource for nursing home and adult care facility residents. An ombudsman can advocate for you to have your payment returned. Residents in Western New York can contact the program by calling (716) 817-9222 (opt. 1 or 2). All other residents can find their local program at the following website:  
<https://aging.ny.gov/long-term-care-ombudsman-program>

**The New York State Attorney General:** The NYS Attorney General Consumer Frauds Unit is investigating complaints pertaining to nursing homes who have taken residents stimulus payments or tried to. If your nursing home took your stimulus payment or tried to, you can file a complaint by calling the hotline at 800-771-7755 or online at  
<https://formsnym.ag.ny.gov/OAGOnlineSubmissionForm/faces/OAGCFCHome>.

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<sup>5</sup> Nursing Home Residents, Medicaid, and Stimulus Checks: What You Need to Know, *National Center on Law & Elder Rights*, [https://ncler.acl.gov/getattachment/Resources/Nursing-Home-Residents-and-Stimulus-Checks-\(1\).pdf.aspx?lang=en-US&eType=EmailBlastContent&eld=aad9bfe5-21ec-4ee3-bfe3-6c342dd42012](https://ncler.acl.gov/getattachment/Resources/Nursing-Home-Residents-and-Stimulus-Checks-(1).pdf.aspx?lang=en-US&eType=EmailBlastContent&eld=aad9bfe5-21ec-4ee3-bfe3-6c342dd42012)

<sup>6</sup> Nursing Homes and Assisted Living Facilities: Hands Off Residents' Stimulus Checks, *Federal Trade Commission*, (May 15, 2020), <https://www.ftc.gov/news-events/blogs/business-blog/2020/05/nursing-homes-assisted-living-facilities-hands-residents>

The NYS Attorney General has a Medicaid Fraud Control Unit (MFCU) that investigates and prosecutes issues of abuse and neglect of residents in all residential care facilities including nursing homes. Complaints about resident care can be made by calling the MFCU hotline at 800-771-7755 or online at <https://ag.ny.gov/nursinghomes>. Buffalo Regional Office (716) 853-8500.

**The New York State Department of Health (NYSDOH):** The NYSDOH is responsible for inspecting nursing homes in the state and ensuring compliance with all regulations. Residents can call the NYSDOH nursing home complaint hotline to report that their payment was seized and request assistance in having it returned. Call the hotline at 1-888-201-4563.

**The Center for Elder Law & Justice (CELJ):** CELJ is available to answer your questions about the payment and to assist with concerns about coercion, financial exploitation, and other forms of abuse. Our free legal advice helpline can provide answers to brief legal questions to residents of New York State who are 55 or older. Call at 1-844-481-0973 between 9am and 11am to reach an attorney directly or call and leave a message. The helpline can also be contacted via e-mail at [helpline@elderjusticenyc.org](mailto:helpline@elderjusticenyc.org). In addition, our office is open for new intake and can be contacted at (716) 853-3087 and additional informational resources are available for residents online at: <https://elderjusticenyc.org/>

For more information on the payment, including the responsibilities of nursing homes when residents decide to deposit their payment in a facility account and what to do if the IRS fails to send you the payment despite being eligible, see our blog on the topic here: <https://elderjusticenyc.org/stimulus-check-payments-nursing-home-residents/>

For more information about managing your finances as a resident in a nursing home, see our fact sheet here: <https://elderjusticenyc.org/wp-content/uploads/2019/02/Nursing-Home-Resident-Right-Finances.pdf>